

# 2025 Annual Report

**MOVING FORWARD TOGETHER**



Estes Park Fort Collins Longmont Loveland



**Platte River**  
Power Authority

Estes Park • Fort Collins • Longmont • Loveland



# 2025 Annual Report



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Power Authority

Estes Park • Fort Collins • Longmont • Loveland

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# Letter from the board chair and general manager/CEO

As we reflect on 2025, we proudly share the meaningful progress Platte River and our owner communities achieved together. Throughout the year, our collaboration, purposeful decision-making and shared long-term vision shaped every major advancement. The milestones outlined in this report highlight the collective commitment of our employees, our board, our owner community leadership and the residents we serve.

Platte River strengthened its system to meet the region's energy needs while advancing the transition to a more diversified, noncarbon energy future. In February, we energized the Severance Substation, which supports additional renewable resources and interconnection needs. In October, phase 1 of the Black Hollow Sun project entered commercial operation, delivering over 350,000 megawatt hours (MWh) annually of new solar energy to northern Colorado. Additionally, we completed the agreement for Weld Energy Storage, our first utility-scale battery installation, which will provide 100 MW of four-hour storage and help manage variability from solar and wind resources while improving operational flexibility across the system.

Platte River secured a 1041 land-use permit from Larimer County for the installation of aeroderivative turbines and we now await approval of the state air permit before construction can begin. These turbines will help maintain system reliability as we transition away from carbon-based resources and prepare to retire all coal units by the end of 2029.

In 2025, Platte River and its owner communities extended the organic contract and power supply agreements through 2075 in an ongoing demonstration of partnership. To support this initiative, Platte River's board and senior leadership met jointly with members of all four owner community governing bodies, marking the first gathering of its kind in nearly three decades.

After months of coordination and open dialogue, all four communities approved the extension of these important governing documents in October. This action extends our partnership and reaffirms our shared, long-term commitment to reliability, environmental responsibility and financial sustainability. This milestone underscores the trust our communities place in Platte River and provides a solid foundation for decades of continued collaboration.



Construction of the Chimney Hollow Reservoir was completed in December. This project will enhance long-term water resilience for our owner communities well into the future. Working closely with our owner communities, we finished designing the first wave of virtual power plant (VPP) programs, which will launch in summer 2026 and represent a transformative shift in how we integrate customer-based resources onto the grid. Platte River prepared throughout the year to join the Southwest Power Pool's Regional Transmission Organization (SPP RTO) in April 2026.

Platte River staff developed a comprehensive leadership training program to support the professional growth of employees and prepare the next generation of leaders. We advanced an external affairs strategy, developed an enterprise risk management program and expanded the reach of our communications through social media and digital platforms. Equally important, we deepened engagement within our communities through events and outreach efforts that help residents understand and participate in the ongoing energy transition and show the value of public power.

As we look ahead, we remain committed to proactively and transparently addressing the cost pressures facing the electric industry. Even amid unprecedented financial challenges, we continue to approach every decision with a long-term perspective and with deep respect for the foundational pillars entrusted to us to uphold since 1973. These principles guide our work today, just as they will guide Platte River through the next 50 years and beyond.

Thank you for the trust you place in us and for your continued partnership as we move forward, together.

  
**Jeni Arndt**  
Board chair

  
**Jason Frisbie**  
General manager/CEO

# Platte River at a glance

Platte River Power Authority is a not-for-profit, community-owned public power generation and transmission utility that provides safe, reliable, environmentally responsible and financially sustainable energy and services to Estes Park, Fort Collins, Longmont and Loveland, Colorado, for delivery to their distribution utility customers.

## Headquarters

Fort Collins, Colorado

## 2025 peak demand of owner communities

678 MW

## 2025 revenues

\$336.1 million

## General manager/CEO

Jason Frisbie

## 2025 deliveries of energy

4,495,629 MWh

## 2025 operating expenses

\$243.2 million

## Began operations

1973

## 2025 deliveries of energy to owner communities

3,174,542 MWh

## 2025 capital additions

\$142.8 million

## Staff

297

## Transmission system

Platte River has equipment in 28 substations and owns 806 miles of transmission lines.

## 2025 debt service expenditures

\$19.1 million

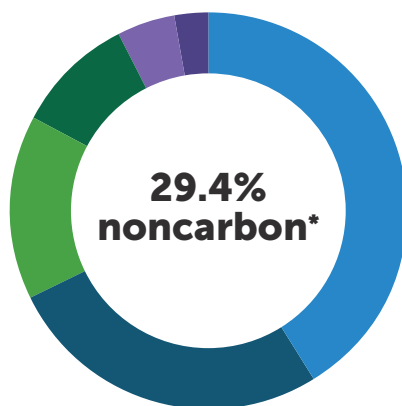
# Nameplate capacity and 2025 energy deliveries

	Nameplate (MW) <sup>(1)</sup>	Energy deliveries (MWh)
Coal	431	1,861,173
Natural gas	415	118,912
Hydropower <sup>(2)</sup>	90	449,344
Wind power <sup>(3)</sup>	297	1,118,588
Solar	202	219,557
Storage	1	Not applicable
Other purchases	Not applicable	728,055
<b>Total</b>	<b>1,436</b>	<b>4,495,629</b>

(1) Represents summer season capacity available at the end of the year.

(2) Hydropower capacity varies monthly and with drought conditions.

(3) Includes 72 MW of wind and associated energy currently sold to other entities, 60 MW of which will return to Platte River in 2030.



## 2025 system energy (percent)

- Coal **41.2%**
- Other purchases **26.8%**
- Wind **14.9%**
- Hydropower **9.6%**
- Solar **4.9%**
- Natural gas **2.6%**

Platte River generated over 1.7 million MWh of noncarbon energy in 2025, a new annual record.

\* Includes estimated adjustments for renewable energy certificate purchases and sales. Before adjustments for renewable energy certificate purchases and sales, noncarbon resources were 39.4% of energy deliveries.

# Our philosophy

Platte River has long been guided by three foundational pillars that guide our mission and are key drivers for achieving the Resource Diversification Policy. Together with our vision and values, in partnership with our owner communities, these pillars inform all Platte River activities and serve as the foundation for our decarbonization efforts.



**Reliability**



**Environmental responsibility**



**Financial sustainability**

## Vision

To be a respected leader and responsible power provider improving the region's quality of life through a more efficient and sustainable energy future.

## Mission

While driving utility innovation, Platte River will safely provide reliable, environmentally responsible and financially sustainable energy and services to the owner communities of Estes Park, Fort Collins, Longmont and Loveland.





# Values

## Safety

Without compromise, we will safeguard the public, our employees, contractors and assets we manage while fulfilling our mission.

## Innovation

We will proactively deliver creative solutions to generate best-in-class products, services and practices.

## Integrity

We will conduct business equitably, transparently and ethically while complying fully with all regulatory requirements.

## Operational excellence

We will strive for continuous improvement and superior performance in all we do.

## Respect

We will embrace diversity and a culture of inclusion among employees, stakeholders and the public.

## Sustainability

We will help our owner communities thrive while working to protect the environment we all share.

## Service

As a respected leader and responsible energy partner, we will empower our employees to provide energy and superior services to our owner communities.

# Strategic plan

The purpose of Platte River's Strategic Plan is to provide direction and guidance for the organization's future. Rooted in Platte River's community-owned structure, the strategic plan advances progress through collaboration and a shared commitment to moving forward together.

As the energy landscape continues to evolve, Platte River consistently looks for opportunities to refine, modernize and strengthen the strategic plan. The most recent update effort began in 2025 and will be completed in 2026 to keep the plan responsive to emerging technologies, operational needs and community priorities.



# Value of public power

As a locally-owned public power utility, we are governed by our board of directors made up of elected officials and technical experts from each of our owner communities. We are proud to live and work in the communities we serve. Public power customers can expect:

- Reliable service at competitive costs
- Accountability to the communities we serve
- Transparent decision-making that gives you a voice
- Not-for-profit operation that serves your interests
- Environmental stewardship that prioritizes sustainable practices



*"Public power is about community and local control. Decisions are made with the long term interest of our owner communities in mind. As a community-owned, not-for-profit utility, Platte River moves forward in partnership with its owner communities, guided by shared priorities and a sense of collective purpose."*

**- Jason Frisbie**  
General manager/CEO

# Our communities

Platte River Power Authority is a Colorado political subdivision established to provide wholesale electric generation and transmission to the communities of Estes Park, Fort Collins, Longmont and Loveland.



ESTES PARK  
COLORADO

## Town of Estes Park

**Estimated population\*:**  
5,768

**Utility:** Estes Park Power and Communications, established in 1945

**Number of customers:**  
11,307

**2025 retail energy sales:**  
129,956 MWh



## City of Fort Collins

**Estimated population\*:**  
170,924

**Utility:** Fort Collins Utilities, established in 1935

**Number of customers:**  
80,930

**2025 retail energy sales:**  
1,453,039 MWh

\*Based on data from the U.S. Census Bureau



**City of Longmont**

**Estimated population\*:**  
99,818

**Utility:** Longmont Power & Communications, established in 1912

**Number of customers:**  
44,390

**2025 retail energy sales:**  
804,565 MWh



**City of Loveland**

**Estimated population\*:**  
82,283

**Utility:** City of Loveland Utilities, established in 1925

**Number of customers:**  
42,691

**2025 retail energy sales:**  
727,650 MWh

# Board of directors

Platte River is governed by an eight-person board of directors designed to bring relevant expertise to the decision-making process. The board includes two members from each owner community.

The mayor may serve or designate some other member of the governing board of their owner community to serve in their place on Platte River's Board of Directors. Each of the other four directors is appointed to a four-year staggered term by the governing body of the owner community represented by that director.



**Gary Hall**

Vice chair  
Mayor  
Town of Estes Park



**Reuben Bergsten**

Director of utilities  
Town of Estes Park



**Jeni Arndt**

Board chair  
Mayor  
City of Fort Collins



**Tyler Marr**

Deputy city manager  
City of Fort Collins



**Joan Peck**

Mayor  
City of Longmont



**Darrell Hahn**

Electric utility director  
City of Longmont



**Jacki Marsh**

Mayor  
City of Loveland



**Sharon Israel**

Director of City of  
Loveland Utilities  
City of Loveland

# Senior leadership team

Platte River operates under the direction of a general manager who serves at the pleasure of the board of directors. The general manager is the chief executive officer with full responsibility for planning, operations and the administrative affairs of Platte River. Platte River's senior leadership team has substantial experience in the utility industry.



**Jason Frisbie**  
General manager/  
CEO



**Tim Blodgett**  
Chief strategy officer



**Travis Hunter**  
Chief generation and  
transmission officer



**Sarah Leonard**  
General counsel



**Dave Smalley**  
Chief financial officer  
and deputy general  
manager



**Melie Vincent**  
Chief power supply  
officer



**Mark Weiss**  
Chief technology  
officer



**Angela Walsh**  
Executive director  
of board and  
administration,  
board secretary



# Moving forward together

Platte River exists because the owner communities of Estes Park, Fort Collins, Longmont and Loveland chose to come together more than 50 years ago to provide a vital public service. That collaborative foundation still guides how we operate. As a not-for-profit, community-owned utility, our path forward is shaped through shared decision-making, partnership and a focus on the long-term interests of our communities.

Progress is possible because we move forward together.

The energy transition is one of the most complex and significant transformations our industry has ever faced. Since the board adopted the Resource Diversification Policy in 2018, Platte River and the four owner communities have worked side by side to advance a noncarbon future while maintaining the reliability and financial sustainability the owner communities rely on amid cost pressures and supply chain challenges. Every major decision reflects collaboration among our board of directors, owner communities, staff, partners and stakeholders, recognizing that success for one community must also support success for all.

Platte River's work extends beyond infrastructure. It is equally rooted in the partnerships we maintain, the engagement we invest in across our communities and the shared responsibility we uphold as a public power provider. Through partnerships, including United Way, regional efforts like the Chimney Hollow Reservoir project and community-focused collaborations such as our DER programs and upcoming VPP, we remain committed to supporting the broader well-being of all four communities.

By listening, engaging and working alongside community members, the energy transition is taking shape not only through technology, but through the people it serves—evolving with their ideas, needs and participation.

This approach reflects a foundation of trust, cooperation and a shared commitment to achieving the best outcomes together. While challenges and opportunities will continue to emerge, our collaborative model, dedicated employees and strong partnerships with the owner communities provide a steady path forward, enabling the continued development of a reliable, increasingly noncarbon energy future designed to serve communities for generations.



*2025 Organic Contract signing*

## **Securing our shared future, together**

Platte River and its owner communities came together and worked diligently for months - including conducting the first joint work session in decades with Platte River's Board, senior leadership and owner community representatives - to refine the organic contract and power supply agreements. This thoughtful and intentional work enabled extensions of these agreements through 2075. The effort required coordinated analysis, engagement and negotiation across various levels of governance, legal, finance and operations. These extensions provide long-term certainty and stability for Platte River and its owner communities, allowing the organization to plan and invest in diversified resources, market capabilities and community programs while maintaining financial sustainability and reliability.

## **Resource diversification in action**

Resource diversification advanced across the system in 2025 through the addition of new noncarbon resources and continued development of customer based solutions. Platte River brought Phase 1 of the Black Hollow Sun project online, finalized the contract for the Weld Energy Storage battery installation and secured a 1041 land use permit to support future aeroderivative turbine capacity. Platte River and the owner communities also completed the design of their first VPP programs, which will launch in 2026 and improve flexibility by connecting and managing customer-based energy resources across the region.

These accomplishments complemented ongoing assessments of additional wind resources and the monitoring of emerging technologies that will shape Platte River's long-term portfolio.

## VPP progress

Platte River continued its work in 2025 to implement a VPP, strengthening both the partnership with owner communities and the foundational technologies needed for shared operations. Because the VPP must support parts of the electric system operated by Platte River and parts operated by the owner communities, close collaboration is essential.

Together, Platte River and the owner communities selected an edge distributed energy resource management system (DERMS) provider to enroll and aggregate customer-based distributed energy resources (DER) within homes and businesses. They also selected a grid-level DERMS vendor to manage DER within the traditional electric system.

In tandem, these platforms will enable Platte River to coordinate distributed batteries, flexible loads and other customer-sited resources as an integrated systemwide asset. Throughout the year, Platte River and owner community staff collaborated to develop the first set of VPP programs, strengthening data and GIS alignment that prepares the operational systems needed for launch in 2026. This work enables customers to have a more active role in the energy transition.



*"By enabling devices and customers to shift and respond at optimal times, we create the flexible grid needed for a reliable and cost-effective energy future."*

**- Zach Borton**  
Distributed energy resources  
services manager

*"As the Platte River project manager, I see this investment as a clear demonstration of Platte River's commitment to reliability, resource diversity and long-term resource adequacy. By focusing on emerging technologies, we're strengthening our day-to-day operations while building a noncarbon portfolio our communities can depend on well into the future."*

**- Brian Brigandi**  
Senior plant electrical engineer,  
Weld Energy Storage project manager



*Black Hollow Sun, Phase 1*

## **Strengthening infrastructure**

Platte River commissioned the Severance Substation in January, marking a critical step in preparing Platte River's system for a more diverse and flexible energy portfolio. Platte River relies on dependable infrastructure to integrate new noncarbon resources safely and efficiently. The substation also serves as the interconnection point for the Weld Energy Storage project, Platte River's first utility-scale battery installation. These investments demonstrate how modernizing core infrastructure strengthens the performance of new renewable and storage resources, supports regional load growth and positions Platte River and its owner communities to move forward together in the energy transition.

## **Advancing battery storage**

Platte River advanced a major milestone in its energy transition by initiating its first utility-scale battery storage project, a 100 MW, four-hour system capable of providing up to 400 megawatt-hours of flexible, dispatchable energy. In early 2025, Platte River signed a contract with NextEra Resources to develop the project. When completed, Weld Energy Storage will provide dispatchable capacity that enhances Platte River's ability to manage variability from solar and wind resources, supports grid stability and improves operational flexibility across the system.



## Adding and connecting renewable energy

Grid modernization not only adds new resources; it adapts to a more dynamic and decentralized system. As solar, wind and storage assets increase, Platte River is updating systems, processes and operations to integrate these assets safely and effectively.

## Expanding solar generation

Platte River significantly advanced its noncarbon portfolio in 2025 with the completion of Black Hollow Sun phase 1, a 150 MW solar project that began delivering test energy in June and entered commercial operation in October. As the largest solar project in northern Colorado, phase 1 represents a major step toward diversifying Platte River's resource mix and accelerating the transition from carbon resources to an increasingly noncarbon portfolio. Contractors continue building phase 2, targeting completion in fall of 2026 and positioning Black Hollow Sun as a cornerstone of Platte River's growing renewable energy portfolio.

Platte River and its four owner communities are partnering to deploy distributed battery storage. As part of this effort, Platte River is installing 5-megawatt distribution-level battery systems in each community, creating a coordinated fleet of storage assets that strengthen local system support and enhance regional grid flexibility. Distributed energy storage enables a cleaner, more flexible grid. It manages renewable variability by aligning load with generation patterns, provides value across both distribution and wholesale needs and adapts to changing conditions as grid needs evolve.

By the end of 2025, three of four communities secured land lease approvals for distributed battery storage projects. Implementing distributed storage requires extensive coordination among the project developer, Platte River and the owner communities, including securing site lease agreements, completing land use permitting, managing distribution interconnection and planning operational needs. This collaborative work positions Platte River and the owner communities to explore how a shared dispatchable resource can provide system benefits at the generation, transmission and distribution system levels.

# Supporting reliability through a multi-layered strategy

*Rendering of GE Vernova LM6000 VELOX aeroderivative turbine.*



Scan the QR code for a video on the Unit C upgrade

## **Aeroderivative turbines; turning variability into reliability**

Platte River's board-approved 2024 Integrated Resource Plan identifies aeroderivative turbines as a cost-effective resource that supports reliability and enables renewable energy integration. These turbines help keep the system stable when wind and solar output varies. In April, staff secured a 1041 land-use permit from Larimer County to build five 40-MW aeroderivative turbines and five 230-kilovolt (kV) breakers at Rawhide Energy Station. Staff filed the air construction permit application in 2024 and continued working with the state through 2025. Platte River also selected an engineering, procurement and construction vendor and plans to bring the project into commercial operation in 2029.

## **Enhancing Unit C for winter reliability**

Cold weather makes reliability even more critical, so Platte River staff completed a series of targeted upgrades on Unit C at the Rawhide Energy Station to improve performance during extreme temperatures. As part of this work, staff replaced the unit's existing gas control valves with modern electric equipment designed to enhance cold-weather operation, reduce maintenance needs and improve safety by removing high-pressure oil systems.

Rawhide became the first site in the world where a team self-performed this upgrade on a GE 7EA turbine, working directly with contractor Woodward and gaining valuable hands-on experience that demonstrated the technology's effectiveness on older units. By removing most of the hydraulic



*Platte River staff at work during the Rawhide Unit 1 major outage.*

circuit, the controls upgrade simplifies operations and strengthens long-term reliability, reinforcing Platte River's commitment to safety, innovation and dependable service.

In addition to the controls work, Rawhide staff also completed combustion and wet-compression upgrades on units C and F, further improving operational efficiency, reducing emissions and enhancing overall performance of the units.

## **Rawhide Unit 1 major outage**

In December, Platte River completed the final scheduled major outage for Rawhide Unit 1, a seven-week effort involving over 400 contractors and 100 employees. The outage included major system inspections and repairs such as a boiler overhaul,

turbine valve work, coal mill repairs, breaker cleaning, compliance testing and a full building washdown. Staff and contractors replaced nearly six miles of boiler superheat tubes by cutting an opening in the side of the boiler building and flying the 21 tube assemblies in and out with a crane. Additional work included control system hardware upgrades, dust collection improvements and enhanced vibration monitoring. Headquarters staff volunteered to support operations and several Platte River retirees returned to provide expertise and mentorship, strengthening teamwork across generations. The outage concluded with no recordable injuries.

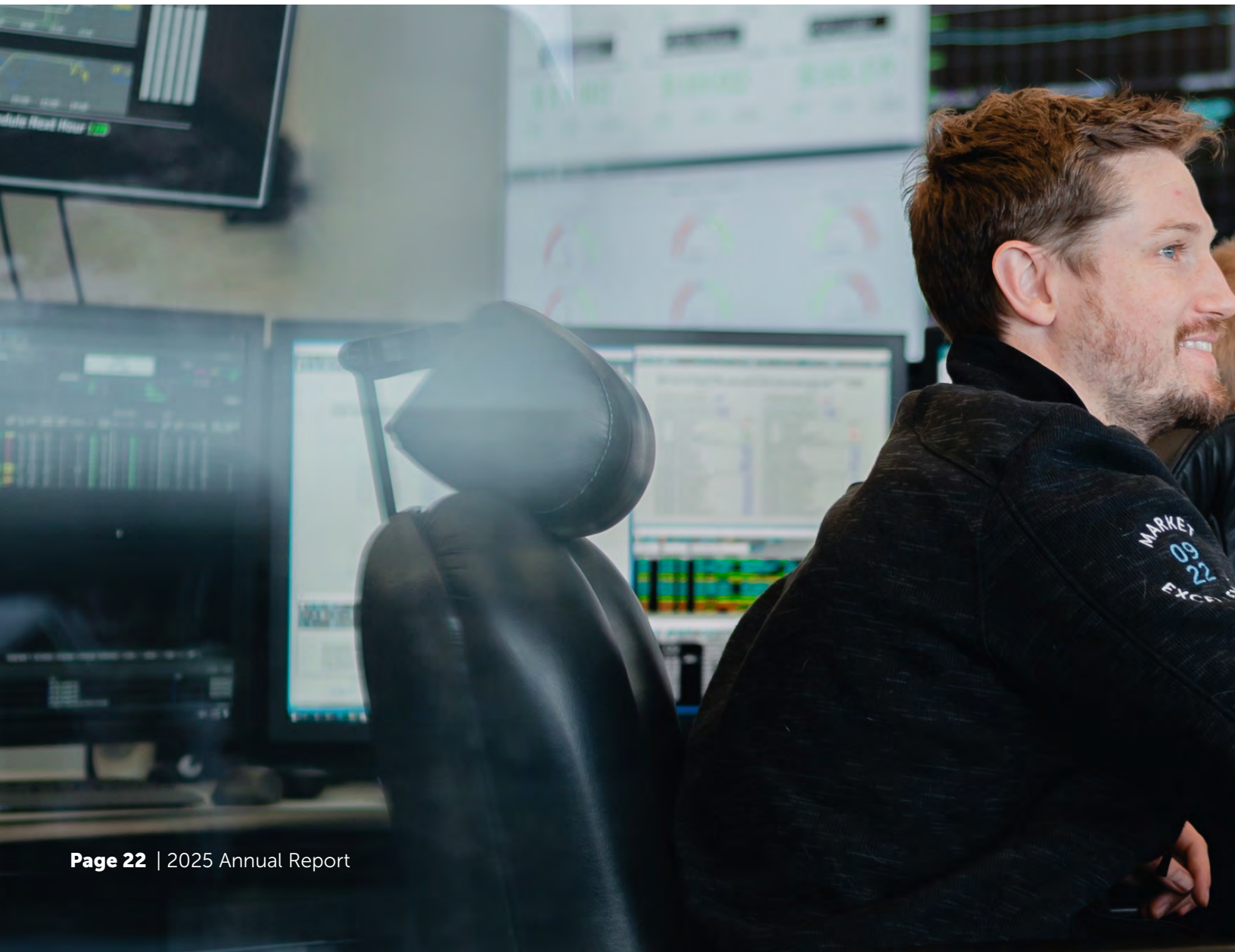
## Moving forward with SPP RTO entry

Platte River continued working toward full energy market participation, a key element of the Resource Diversification Policy. After joining the SPP Western Energy Imbalance Services market in 2023, Platte River is now preparing for entrance into the SPP RTO, scheduled for April 1, 2026.

SPP RTO provides reliable unit commitment, day-ahead, real-time and ancillary services markets, renewable resource integration, increased market transparency and efficiency, along with regional transmission planning and coordination. These features improve reliability, reduce overall system costs and support Platte River's continued transition to a cleaner, more diversified energy portfolio.

Major milestones in 2025 included:

- Executing a contract in July with a consultant to provide congestion management services to prepare for SPP's transmission congestion rights and auction revenue rights market scheduled for March 2026.
- Completing SPP's second phase of training during the last quarter of 2025, encompassing the full cycle of the RTO market, from seven days before the operating day through settlements.

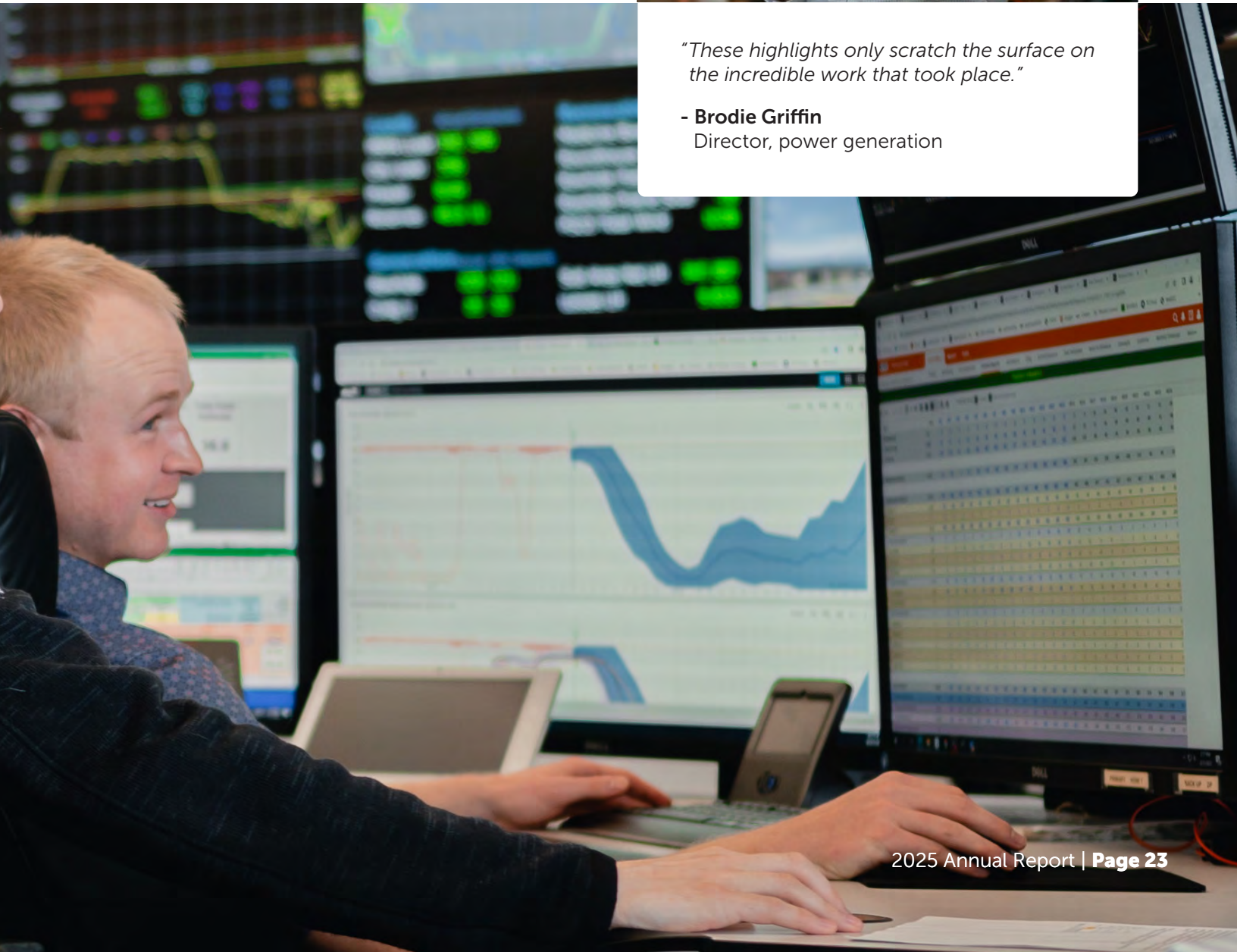


- Working with a vendor to implement market interface software to prepare for the full SPP RTO.
- Participating in daily SPP market trials since September, with parallel operations beginning in March 2026.
- Submitting Platte River's Annual Transmission Revenue Requirement to SPP for approval by the Federal Energy Regulatory Commission.
- Replacing boundary metering infrastructure for energy settlements and the Balancing Area move to the SPP RTO.



*"These highlights only scratch the surface on the incredible work that took place."*

**- Brodie Griffin**  
Director, power generation





# Enhancing system resilience

## **Chimney Hollow Reservoir construction completed**

Construction of Chimney Hollow Reservoir was complete in December. Once operational, the reservoir will enhance regional water reliability and provide a firm water supply for Platte River's system.

The new reservoir marks an important step forward for the region's long-term water future. As one of 12 project partners, Platte River is proud to work with local water providers to help maintain a reliable, sustainable water supply for northern Colorado. Platte River's unique water needs add a complementary perspective to the partnership that strengthens the project and opens new opportunities for regional collaboration.

Platte River's involvement in this shared effort reflects an ongoing commitment to supporting a resilient water system that will serve northern Colorado for generations to come.

## **Transmission maintenance and upgrades**

As part of long-range transmission planning, Platte River advanced several key projects aimed at supporting future capacity needs and allowing for the addition of more renewable energy. The Severance Substation and its associated interconnection lines represent a major milestone that serves as a critical hub for new generation and storage resources. The substation design includes additional bays and capacity to accommodate future renewable additions, including the planned 100 MW Weld Energy Storage battery system.

Beyond capital construction, staff worked diligently on strategic transmission planning within the owner communities, studying population growth trends and forecasting future capacity needs so the system can evolve with regional demand. Because major transmission projects require at least two years of planning, Platte River has proactively initiated collaborative project development for future work,



including efforts at the Airport and Drake substations and associated transmission line improvements.

In parallel, Platte River continued systemwide investments to support reliability and flexibility, including modernizing transmission structures, improving protection systems and performing condition-based equipment replacements to enhance overall system resilience as more variable resources come online.

Major milestones in 2025 included:

- Commissioning a new energy management system that provides enhanced monitoring and control of the transmission system.
- Completing a communications upgrade that created two new resilient, redundant networks, improving reliability for power system equipment and for the systems used by the owner communities.



*Severance Substation*

Platte River also helped establish an intrastate public power team with neighboring utilities to enhance regional transmission coordination and future system planning. Together, these initiatives modernize the systems and structures that employees rely on; enhance collaboration across the organization; and provide the tools needed to operate effectively amid increasing technological, financial and market complexity.

## Resource firming and asset optimization

Platte River advanced several key fuel-firming strategies in 2025 to strengthen cost stability and reliability amid ongoing energy transition pressures. Securing the commodity price for Rawhide Unit 1's 2027 coal supply will help maintain stable and predictable fuel costs amid rising market volatility driven by supply chain constraints, industrywide coal retirements and broader economic conditions.

In addition, the first phase of Platte River's natural gas firming study identified the foundational elements of a long-term plan to provide a resilient and economically stable natural gas supply. The ultimate plan will provide a flexible, diversified procurement approach that supports the growing role of natural gas as a balancing resource for variable renewable generation.

Together, these actions help Platte River manage rising cost pressures associated with renewable integration, supply chain challenges, and the need for dependable dispatchable resources as the resource mix continues to evolve. By firming both its coal and natural gas supplies, Platte River will enhance its long-term financial predictability and operational resilience.

## Trapper Mine reclamation plan finalized

The Trapper Mine owners agreed to an overall framework for the Trapper Mine reclamation plan, which supports a responsible and well-managed transition of the site. Trapper Mine, which has long supplied coal to the Craig Generating Station, will end coal production in 2026, although stockpiled coal from the mine will continue to be used by Craig Unit 2 until its retirement in 2028.

This reclamation plan outlines a phased approach to land restoration, ongoing environmental monitoring and long-term stewardship obligations that will continue well beyond active mining operations. It reflects Platte River's longstanding commitment to environmental responsibility, regulatory compliance and thoughtful end-of-life resource planning.





The updated reclamation framework also aligns with broader portfolio transition efforts, including long-term fuel supply planning, evolving coal unit operating profiles and the shift toward a more diversified, noncarbon resource mix. As Platte River prepares for future coal retirement milestones, and navigates changing regulatory and market conditions, the Trapper Mine reclamation plan offers predictable

closure timelines, cost transparency and clear expectations for ongoing monitoring and land-use outcomes. This approach strengthens Platte River's overall risk management posture by reducing long-term environmental liabilities and reinforcing a commitment to responsible asset transitions.

# Energizing progress through community engagement



## Energy solutions shaped by collaboration

In 2025, the Efficiency Works™ team initiated and expanded energy programs and services for customers, investing over \$10 million into homes and businesses throughout Platte River’s service territory. This investment continues Platte River’s long history of collaborating with the owner communities on customer programs, totaling more than \$100 million since 2002. This has helped advance Platte River and the owner communities’ efforts to decarbonize their electricity supply.

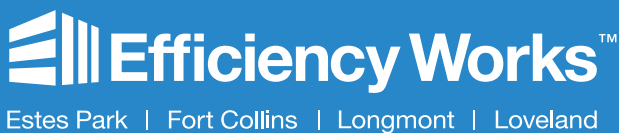
Efficiency Works delivered significant impacts across Platte River’s owner communities by supporting more than 6,000 residential and commercial customers and achieving substantial energy, water and emissions savings.

The program expanded outreach through classroom engagement with over 2,600 fourth-grade students, increased support for income-qualified households and held more than 75 events and trainings with local service providers.

Efficiency Works also implemented numerous program improvements, including enhanced incentive processing, expanded technical services to commercial customers, streamlined commercial grant requirements and updated residential offerings to encourage more comprehensive home upgrades. Demand for residential electrification upgrades continued to increase, with more than 1,300 heat pumps installed, nearly four times the number installed in 2024.

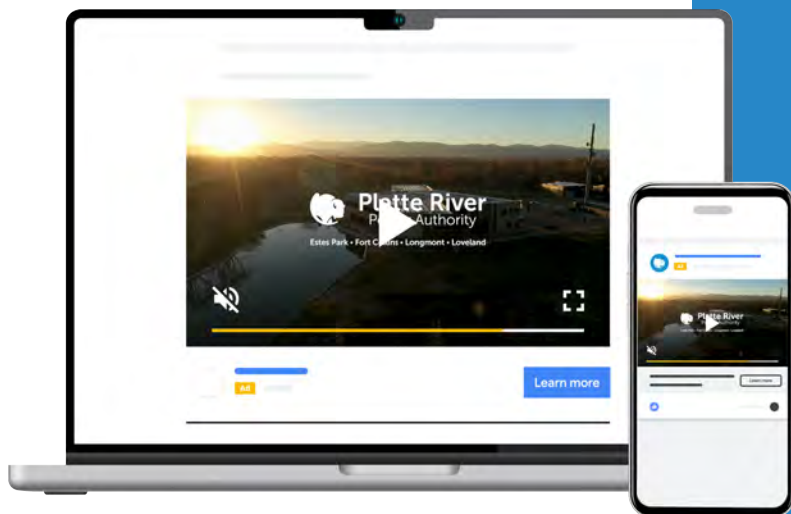
Staff contributed expertise nationally and regionally through multiple presentations, leadership councils and industry collaborations, advancing utility best practices in energy efficiency, electrification and customer program design.

<p><b>\$10M</b></p> <p>invested through customer energy programs and services</p>	<p><b>10,486</b></p> <p>MWh saved</p>	<p><b>5,476</b></p> <p>MTCO2e saved from customer upgrades</p>	<p><b>8M+</b></p> <p>water gallons saved</p>
<p><b>14.53%</b></p> <p>participation increase from 2024</p>	<p><b>79</b></p> <p>events and trainings hosted</p>	<p><b>2,645</b></p> <p>local students engaged</p>	<p><b>6,049</b></p> <p>customers participated</p>





Students and staff at the 2025 NoCo Time Trials grant check presentation.



## Better Together campaign sparks awareness

The public education team launched the second of three planned campaigns in September to inform the public about Platte River's progress toward the Resource Diversification Policy. While the first campaign in 2025 focused on sharing Platte River's board members' perspectives on the energy transition in their communities, the second provided concrete updates on Platte River's current progress and future plans for decarbonizing its portfolio. The campaign reached community members through radio, television, video streaming, newspaper advertising and social media.



## Engaging locally, powering forward together

In 2025, Platte River strengthened its commitment to community support and collaboration across the owner communities. The organization advanced STEM learning through hands-on educational experiences, student recognition and scholarship opportunities and continued its long-standing partnership with Colorado State University to bring clean energy education directly into classrooms. Platte River also provided financial and volunteer support to nonprofits serving veterans, wildlife conservation, homelessness prevention, utility assistance and other essential community needs. Through its long-time partnership with the United Way of Larimer County, Platte River employees continued to champion programs that help community members with utility bills, affordable childcare, early literacy, family financial stability and food security. This partnership reflects the organization’s ongoing dedication to community well-being.

<p><b>60+</b></p> <p>middle school teams competed in the 2025 NoCo Time Trials</p>	<p><b>13</b></p> <p>schools represented in the solar &amp; battery model car race</p>	<p><b>3.8K+</b></p> <p>K–12 students reached through the CSU Energy Institute Mobile Classroom</p>
<p><b>18</b></p> <p>community organizations awarded scholarships</p>	<p><b>9</b></p> <p>STEM scholarships and innovation awards supporting students from NoCo Time Trials, CSU and the Colorado Science &amp; Engineering Fair</p>	<p><b>4th</b></p> <p>year employees surpassed their United Way fundraising goal</p>



Scan the QR code to learn more about our Better Together campaign

## Advocacy and external leadership

Platte River’s external affairs team serves as a trusted bridge between Platte River and public policy stakeholders. The team advocates with integrity, communicates transparently, translates complex issues into clear messages and builds relationships that drive meaningful change. Team members maintain a strong presence at local municipal meetings, the Colorado state capitol and in Washington D.C.

In 2025, the external affairs team helped educate legislators and other stakeholders about Platte River’s mission with tours at Rawhide Energy Station, offering hands-on experiences that demonstrate the public power model in action. They also led orientations for local council members, further building local engagement, trust and transparency. Staff advocacy and outreach also played a critical role in advancing Platte River’s land use and air permitting progress for the aeroderivative turbine project.

# Powering people, strengthening workforce culture

## **Safety – protecting people and powering progress**

Safety is a core value at Platte River. In 2025, the safety program achieved measurable results through a significant increase in proactive hazard, near miss and injury reporting with a notable reduction in severity and frequency of incidents. This strengthens the culture of accountability and risk awareness, especially evident during the major outage at Rawhide Energy Station that concluded with zero recordable injuries.

A new “safety success” reporting system launched in 2025 to highlight proactive measures and help prevent incidents before they occur. Additionally, the revamped employee safety recognition program now celebrates outstanding safety leadership year-round. These initiatives reflect Platte River’s unwavering commitment to continuous improvement and operational excellence.

## **Workforce development – powering our future**

Platte River’s success is driven by the leadership of the board and the dedication of staff. Employees work collaboratively and efficiently to safely deliver reliable electricity with a focus on managing costs. Platte River supports this work by offering competitive pay and benefits, state-of-the-art workspaces at headquarters and Rawhide Energy Station, the tools and training employees need and opportunities for professional growth within the organization.

## **Culture moments – learning, compliance, leadership**

Throughout 2025, Platte River’s human resources team conducted extensive planning to transition the employee rewards and recognition program, with the goal of enhancing the internal experience and making it easier and more engaging to celebrate achievements across the organization. The new program will launch in early 2026.

Launched in 2024, the immersion program strengthens onboarding by combining core training with yearlong activities that teach Platte River’s history and operations. The program supports culture-building and fosters stronger connections between Rawhide and headquarters staff, reinforcing a sense of community and pride across the organization. Efforts in 2025 expanded this program to involve more departments and create an all-encompassing immersive experience for new employees.

Platte River designed a new leadership development program to strengthen leaders’ understanding of the rapidly evolving energy landscape, with targeted emphasis on regulatory compliance, operational accountability and increased cross-functional collaboration. The program also helps leaders build skills in agile leadership, change readiness and strategic thinking so they can better navigate complexity and support organization wide goals. Extensive planning and strategic design throughout 2025 informed the program’s structure and content, with launch scheduled for 2026.



With 90% retention in 2025, Platte River welcomed **30 new employees** and **25 employees promotions and/or transfers** within the organization.

In 2025, the budgeted headcount of Rawhide **reduced** from 89 to 73 through Rawhide employee promotions and retirements.

## Just Transition update

Platte River continued implementing the Just Transition Plan that was formalized in 2024 to retain and empower employees who will be affected by the retirement of Rawhide Unit 1. The plan carries out a workforce transition resolution that the Platte River Board of Directors passed in July 2020. Platte River will continue to demonstrate its unwavering commitment to support and retain employees who wish to remain with the organization through the transition to a clean energy future.

# Driving organizational excellence

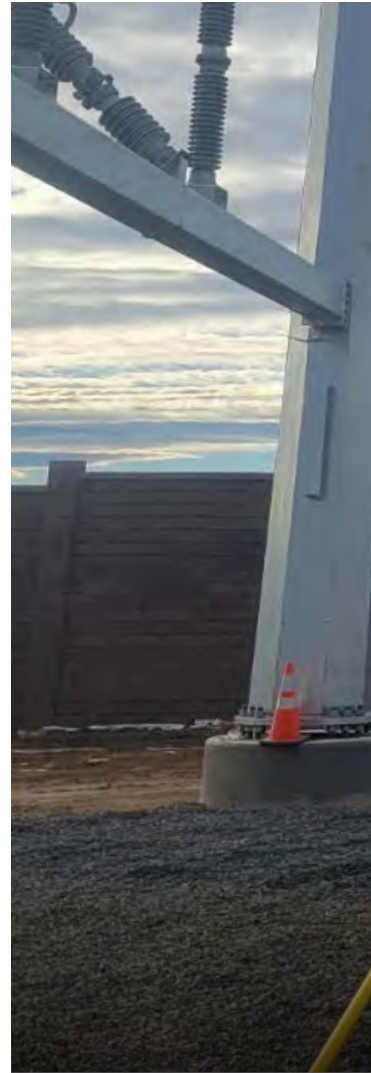
## Strategies for a more complex energy future

To support long-term planning and growing operational complexity, Platte River strengthened its strategic and technical collaboration efforts. The organization formed a joint Demand Side Management-Distributed Energy Resources team to coordinate energy efficiency, VPP development and electrification initiatives.

## Wholesale rate strategy

Platte River's budgeted average wholesale rate increase was 6.3% in 2025. This number reflects a thoughtful and strategic rate smoothing plan to avoid larger single-year rate increases for the owner communities and still allow specific objectives of Platte River's Strategic Financial Plan to be met.

Projected increases in net system costs continue to create long-term rate pressure as Platte River and the owner communities continue forward progress on the Resource Diversification Policy goal. Staff presented financial and rate projections, reflecting current assumptions and resource plans to the board of directors.





*Severance Substation*

## Managing risk in a changing energy landscape

Platte River is strengthening its enterprise risk management program to navigate a more complex industry. In addition, in 2025, a Compliance Oversight Leadership Team was formed to foster best practices for reliability

compliance. Platte River is actively building a resilient, forward looking risk culture that supports reliable operations and prepares the utility to adapt in a rapidly changing energy landscape.

# Financials

Platte River's financial position continues to strengthen. Platte River met or exceeded all Strategic Financial Plan metrics in 2025 and exceeded budget projections for the board-approved deferred revenue and expense accounting policy. Change in net position before deferring revenue was \$53.7 million, and under the board-approved accounting policy, we deferred \$46.4 million of revenues (which can be used in a future period). Change in net position after the revenue deferral was \$7.3 million. The financial results, in conjunction with the accounting policies, support long-term financial sustainability, and help reduce the amount of future debt financings and help manage rate pressure. Our bond service coverage ratio of 5.16 times exceeded the 1.10 times required by bond covenants, providing confidence for Platte River bondholders. Platte River's strong financial position will benefit the owner communities well into the future.

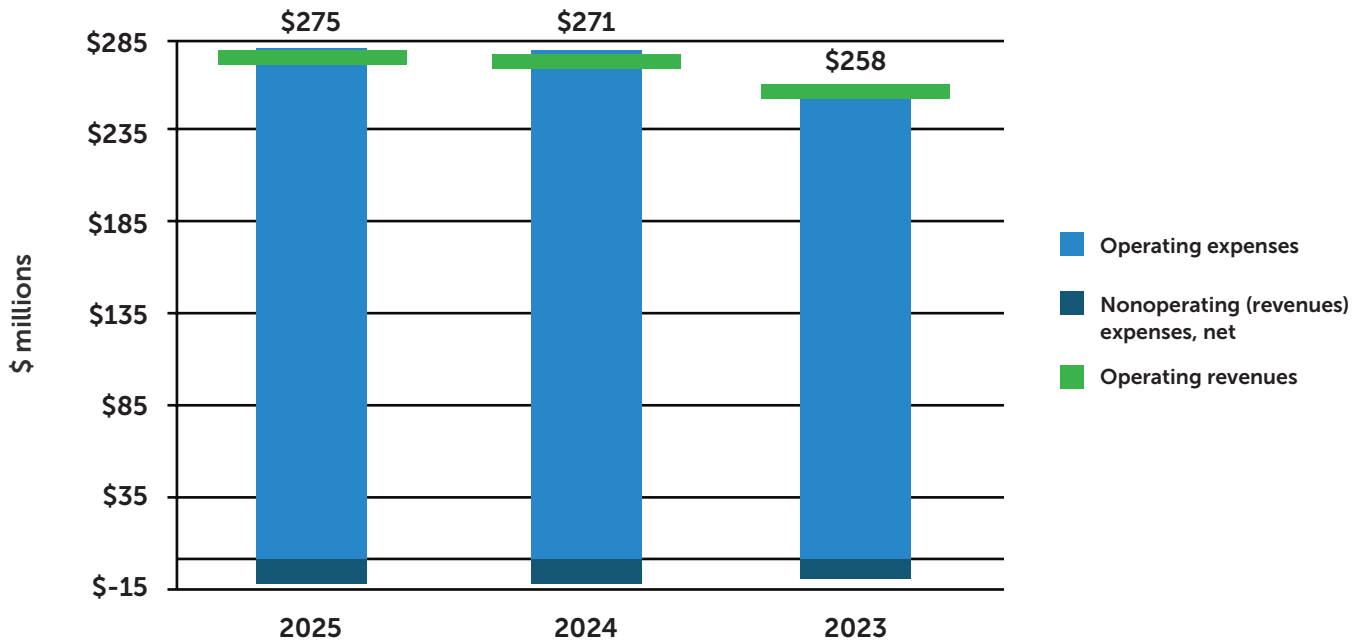
**100%**

of the strategic financial  
plan metrics met

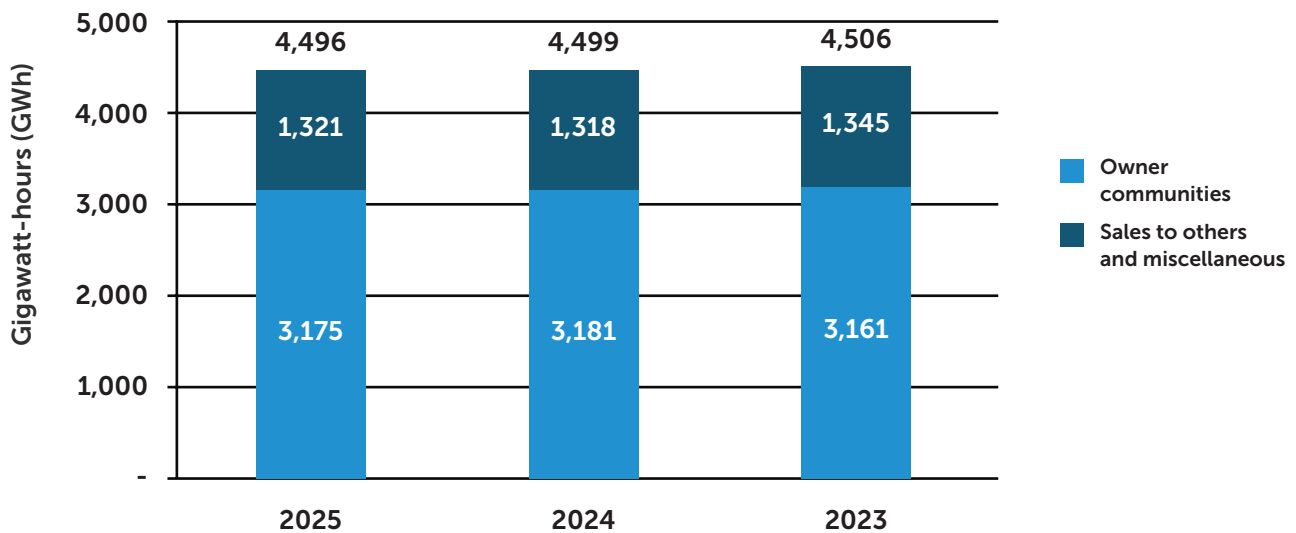
**AA**

credit  
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## Revenues and expenses



## Energy deliveries



## Financial highlights

Year ended Dec. 31

	2025	2024	2023
<b>Financial results (\$000)</b>			
Operating revenues	\$ 275,469	\$ 271,323	\$ 257,511
Operating expenses	(280,453)	(277,645)	(257,762)
Nonoperating revenues (expenses), net	12,318	13,314	9,513
Change in net position	\$ 7,334	\$ 6,992	\$ 9,262
<b>Strategic Financial Plan metrics</b>			
	<b>Target minimums</b>		
Fixed obligation charge coverage ratio	<i>1.50 times</i>	1.63x	1.85x
Change in net position as a percentage of annual operating expenses	<i>3%</i>	3.0%	4.1%
Adjusted debt ratio	<i>less than 50%</i>	20%	24%
Days adjusted liquidity on hand	<i>200</i>	312	423
<b>Other selected data (\$000 except bond service coverage ratio)</b>			
Gross utility plant	\$ 1,743,705	\$ 1,608,734	\$ 1,533,387
Long-term debt and other long-term obligations	\$ 201,251	\$ 214,902	\$ 230,655
Accumulated deferred revenues	\$ 125,534	\$ 79,174	\$ 52,974
Accumulated net position	\$ 680,739	\$ 673,405	\$ 666,413
Bond service coverage ratio <sup>(1)</sup>	5.16x	4.45x	3.87x

(1) The bond service coverage calculation excludes deferred revenues and expenses accounted for under the deferred revenue and expense accounting policy. Previously stated line items have been updated to conform with the change in calculation.

## Platte River operational data

Year ended Dec. 31

	2025	2024	2023
<b>Peak demand (kW)</b>			
Estes Park	28,515	28,474	27,656
Fort Collins	305,269	307,196	306,414
Longmont	192,787	195,189	189,999
Loveland	173,859	170,428	167,568
Total owner communities' peak demand	700,430	701,287	691,637
Platte River coincident demand	678,090	690,759	680,365
<b>Energy (MWh)</b>			
Estes Park	135,664	136,528	140,220
Fort Collins	1,460,040	1,471,417	1,460,021
Longmont	830,423	836,157	836,116
Loveland	748,415	736,983	725,176
Total owner communities' energy	3,174,542	3,181,085	3,161,533
Sales to others and miscellaneous	1,321,087	1,318,312	1,344,675
<b>Energy – total system</b>	<b>4,495,629</b>	<b>4,499,397</b>	<b>4,506,208</b>

## Energy market statistics

Year ended Dec. 31

Owner communities combined retail sales <sup>(1)</sup>

	2025	2024	2023
<b>Number of customers (monthly average)</b>			
Residential	159,065	156,759	154,333
Commercial & industrial	19,878	19,938	19,593
Other	376	289	287
Total	179,318	176,986	174,213
<b>Energy sales (MWh)</b>			
Residential	1,197,110	1,202,507	1,171,689
Commercial & industrial	1,914,166	1,910,736	1,927,246
Other	3,934	3,833	3,829
Total	3,115,210	3,117,076	3,107,765
<b>Revenue (\$000)</b>			
Residential	\$ 172,464	\$ 161,531	\$ 148,244
Commercial & industrial	211,869	200,174	189,882
Other	553	590	605
Total	\$ 384,885	\$ 362,294	\$ 338,731
<b>Residential averages (annual)</b>			
Energy per customer (kWh)	7,526	7,671	7,592
Revenue per kWh (cents)	14.41	13.43	12.65
Revenue per customer	\$ 1,084	\$ 1,030	\$ 961

(1) Prior to May, data for the most recent year have been compiled from preliminary reports of the cities supplied with electric energy by Platte River.

# Report of leadership

Platte River's leadership is responsible for the preparation, integrity and objectivity of the financial statements and related information included in this annual report. The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America and, where required, reflect amounts based on the best estimates and judgments of leadership.

Platte River maintains a strong internal control structure designed to provide reasonable assurance that transactions are executed in accordance with leadership's authorization, that financial statements are prepared in conformity with GAAP and that assets are safeguarded. Platte River's internal auditor evaluates internal controls for adherence to policies and procedures on an ongoing basis, and reports to leadership on findings and recommendations for possible improvements.

In addition, the independent auditors consider elements of the internal control system in determining the nature and scope of their audit procedures for the annual audit of Platte River's financial statements. The board of directors, whose members are not employees of Platte River, periodically meets with the independent auditors and leadership to discuss the audit scope, audit results and any recommendations to improve the internal control structure. The board of directors directly engages the independent auditors.

**Dave Smalley**  
Chief financial officer/  
deputy general manager

**Jason Frisbie**  
General manager/CEO

*Dave D. Smalley*      *Jason Frisbie*





# **Platte River Power Authority**

Independent Auditor's Report and Financial Statements

Dec. 31, 2025 and 2024

# Platte River Power Authority

## Financial statements

Years ended Dec. 31, 2025 and 2024

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## Independent Auditor's Report

Board of Directors  
Platte River Power Authority  
Fort Collins, Colorado

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities and the fiduciary activities of Platte River Power Authority (Platte River) as of and for the years ended December 31, 2025 and 2024 and the related notes to the financial statements, which collectively comprise Platte River's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the fiduciary activities of Platte River, as of December 31, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of Platte River and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Platte River's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Platte River's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Platte River's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Platte River's basic financial statements. The budgetary comparison schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Annual Report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Forvis Mazars, LLP***

**Denver, Colorado  
April 14, 2026**

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**Platte River Power Authority**  
**Management's discussion and analysis (unaudited)**  
Dec. 31, 2025 and 2024

This discussion and analysis provides an overview of the financial performance of Platte River Power Authority (Platte River) for the fiscal years ended Dec. 31, 2025, and Dec. 31, 2024. The information presented should be read in conjunction with the basic financial statements, accompanying notes to the financial statements and required supplementary information.

Platte River is a Colorado political subdivision and a wholesale electricity generation and transmission provider that delivers safe, reliable, environmentally responsible and financially sustainable energy and services to its four owner communities, Estes Park, Fort Collins, Longmont and Loveland, Colorado, for delivery to their utility customers.

Platte River is proactively working toward the goal of reaching a noncarbon energy future by 2030 through the Resource Diversification Policy, while maintaining Platte River's three pillars of providing reliable, environmentally responsible and financially sustainable electricity and services. Advancements in technology and joining an energy market, among other requirements, must occur to achieve the 2030 goal and to successfully maintain Platte River's three pillars. Platte River continuously evaluates resource planning and opportunities to add noncarbon resources.

Platte River's power resources include generation from coal and natural gas units, wind purchases, allocations of federal hydropower from Western Area Power Administration (WAPA), solar (including storage) purchases, market purchases, bilateral purchases and owner community solar programs.

1. Coal-fired generation includes Rawhide Unit 1 (280 megawatts), located 25 miles north of Fort Collins, and 18% ownership in Craig units 1 and 2 (151 megawatts combined), located in northwest Colorado. Rawhide Unit 1 is scheduled to retire by Dec. 31, 2029. Craig Unit 1 was scheduled to retire by Dec. 31, 2025, but, on Dec. 30, 2025, Platte River and the other owners received an emergency order from the U.S. Department of Energy (DOE) requiring them to keep Craig Unit 1 available to operate for 90 days. On March 30, 2026, Platte River and the other owners received a second emergency order from the DOE requiring them to keep Craig Unit 1 available to operate for 90 days through June 28, 2026 (note 18). Craig Unit 2 is scheduled to retire Sept. 30, 2028.
- Natural gas-fired combustion turbines located at Rawhide Energy Station include five simple cycle combustion turbines, composed of four GE 7EAs (Rawhide Unit C, 75 megawatts; Rawhide units A, B and D, 65 megawatts each) and a GE 7FA (Rawhide Unit F, 145 megawatts). The combustion turbines are used to meet peak load demand, provide reserves during maintenance outages of the coal-fired units and make sales for resale.
- Wind generation includes 297 megawatts of nameplate capacity provided under long-term power purchase agreements. The agreements are for deliveries from the following facilities.

**Platte River Power Authority**  
**Management's discussion and analysis (unaudited)**  
Dec. 31, 2025 and 2024

- Roundhouse Wind Energy Center (225 megawatts) in Wyoming; contract ends May 2042.
- Spring Canyon Wind Energy Center Phase II and III (60 megawatts combined) in Colorado; contracts end October 2039 and December 2039, respectively. To accommodate additional wind energy available from the Roundhouse Wind Energy Center and reduce ancillary services expense, Platte River sold the energy and renewable attribute from these sites under a 10-year contract that began in 2020. This energy is therefore not delivered to the owner communities for the term of the sales contract. At the end of the sales contract, the energy will return to Platte River.
- Silver Sage Windpower Project (12 megawatts) in Wyoming; contract ends September 2029. To accommodate additional wind energy available from the Roundhouse Wind Energy Center and to reduce transmission and ancillary services expenses, Platte River sold the energy and renewable attribute from this site under a long-term contract. This energy is therefore not delivered to the owner communities.
- Hydropower is received under two long-term contracts with WAPA – one for the Colorado River Storage Project and one for the Loveland Area Projects. The hydropower contracts are subject to periodic price changes.
  - Colorado River Storage Project contract rate of delivery amounts are 106 megawatts in the summer and 136 megawatts in the winter, which are not being met due to drought conditions. Actual capacity available varies by month. During 2025, summer season available capacity ranged from 49 megawatts to 60 megawatts and winter season available capacity ranged from 51 megawatts to 75 megawatts. Available capacity and energy may further change with drought conditions, and as conditions worsen, there may be periods where no energy is delivered. The Colorado River Storage Project contract ends September 2057.
  - Loveland Area Projects' capacity varies from 23 megawatts to 30 megawatts in the summer season and 26 megawatts to 32 megawatts in the winter season. The Loveland Area Projects contract ends September 2054.
- Solar generation includes 202 megawatts of nameplate capacity with 1 megawatt of battery energy storage provided under long-term power purchase agreements. The agreements are for deliveries from the following facilities.
  - Black Hollow Sun project phase 1 (150 megawatts) in Weld County; contract ends 20 calendar years from the first Jan. 1 after phase 2 (future additional 107 megawatts) achieves commercial operation, expected in fall 2026.
  - Rawhide Flats Solar facility (30 megawatts) located at the Rawhide Energy Station; contract ends October 2041.

**Platte River Power Authority**  
**Management's discussion and analysis (unaudited)**  
Dec. 31, 2025 and 2024

- Rawhide Prairie Solar facility (22 megawatts) located at the Rawhide Energy Station; contract ends March 2041. This project has an integrated battery energy storage system of 2 megawatt-hours, which can be discharged once daily at a rate up to 1 megawatt per hour.
  
- Market purchases provide energy through participation in the Western Energy Imbalance Service operated by the Southwest Power Pool which provides access to lower-cost resources and sales for resale opportunities in real time, increasing operational efficiencies while enhancing reliability. Platte River will participate in the Western Energy Imbalance Service until joining the Southwest Power Pool Regional Transmission Organization West planned for 2026.
  
- Bilateral purchases involve a single counterparty and are specifically negotiated deals. These provide energy to satisfy loads, replace power during maintenance outages and meet reserve requirements.
  
- Platte River purchases capacity of 4.022 megawatts and 0.333 megawatts from Fort Collins and Loveland community solar facilities, respectively. For these two facilities, the owner communities retain the renewable attributes and the facilities are not part of Platte River's noncarbon resource portfolio.

Platte River operates as a utility enterprise and follows the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission (FERC). Platte River has implemented all applicable Governmental Accounting Standards Board (GASB) pronouncements. The accompanying financial statements for Platte River and the defined benefit pension plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. For the defined benefit pension plan, payments are recognized when due and payable in accordance with the terms of the defined benefit pension plan.

**Request for information**

This financial report is designed to provide a general overview of Platte River's finances, as well as the defined benefit pension plan's finances. Questions about any of the information provided in this report or requests for additional financial information should be addressed to David Smalley, chief financial officer and deputy general manager, Platte River Power Authority, 2000 East Horsetooth Road, Fort Collins, Colorado 80525.

**Platte River Power Authority**  
**Management's discussion and analysis (unaudited)**  
Dec. 31, 2025 and 2024

**Financial summary**

Platte River reported change in net position of \$7.3 million in 2025, approximately \$0.3 million higher than 2024. The year ended with an increase in operating revenues of \$4.1 million, an increase in operating expenses of \$2.8 million and a decrease in nonoperating revenues, net, of \$1.0 million.

Under the GASB 62 board-approved accounting policy from 2022, the general manager/CEO approved deferring \$46.4 million of current-year operating revenues as deferred regulatory revenues. The policy reduces rate pressure and achieves rate smoothing by establishing a mechanism to defer revenues earned and expenses incurred in one period to be recognized in one or more future periods.

**Condensed financial statements**

The following condensed statements of net position and condensed statements of revenues, expenses and changes in net position summarize Platte River's financial position and changes in financial position for 2025, 2024 and 2023.

**Condensed statements of net position**

	<b>2025</b>	<b>Dec. 31, 2024</b>	<b>2023</b>
<i>(in thousands)</i>			
<b>Assets</b>			
Electric utility plant	\$ 688,150	\$ 593,484	\$ 557,394
Special funds and investments	141,965	181,138	188,480
Current assets	162,822	182,367	185,828
Noncurrent assets	146,713	143,019	141,423
Total assets	1,139,650	1,100,008	1,073,125
<b>Deferred outflows of resources</b>	<b>30,572</b>	42,518	38,439
<b>Liabilities</b>			
Noncurrent liabilities	261,780	290,399	293,062
Current liabilities	60,110	50,495	46,591
Total liabilities	321,890	340,894	339,653
<b>Deferred inflow s of resources</b>	<b>167,593</b>	128,227	105,498
<b>Net position</b>			
Net investment in capital assets	577,160	463,248	406,299
Restricted	17,976	20,472	19,561
Unrestricted	85,603	189,685	240,553
Total net position	\$ 680,739	\$ 673,405	\$ 666,413

**Platte River Power Authority**  
Management's discussion and analysis (unaudited)  
Dec. 31, 2025 and 2024

**Net position**

Total net position at Dec. 31, 2025, was \$680.7 million, an increase of \$7.3 million over 2024. Total net position at Dec. 31, 2024, was \$673.4 million, an increase of \$7.0 million over 2023.

**Electric utility plant** increased \$94.7 million during 2025 primarily due to a \$102.9 million increase in construction work in progress with a full year of progress toward procurement and construction of aeroderivative combustion turbines (note 17), \$31.6 million increase in plant and equipment in service and \$0.5 million increase in land and land rights, partially offset by a \$40.3 million increase in accumulated depreciation and amortization (note 4).

In 2024, electric utility plant increased \$36.1 million from 2023 primarily due to a \$51.2 million increase in construction work in progress and a \$24.2 million increase in plant and equipment in service, partially offset by a \$39.3 million increase in accumulated depreciation and amortization (note 4).

**Special funds and investments** decreased \$39.2 million during 2025 primarily due to funding capital expenditures from cash flow and cash reserves.

In 2024, special funds and investments decreased \$7.3 million from 2023 primarily due to funding capital expenditures partially from cash reserves.

**Current assets** decreased \$19.6 million during 2025 primarily due to a decrease in cash and cash equivalents to fund capital expenditures. Partially offsetting the decrease were proceeds from additional sales of Windy Gap water units, increases in accounts receivable – owner communities due to the 6.3% average wholesale rate increase in 2025 and an increase in accounts receivable – other due to billable projects and expected resettlements of market transactions. Prepayments and other assets also increased due to annual fiber leases being renewed for multiple-year terms.

In 2024, current assets decreased \$3.5 million from 2023 primarily due to a decrease in cash and cash equivalents to fund capital expenditures. Partially offsetting the decrease were increases in other temporary investments and an increase in fuel inventory at the Craig Energy Station. Accounts receivable – other increased with higher sales for resale volumes and average prices during the month of December and accounts receivable – owner communities increased due to the 5% average wholesale rate increase in 2024. Prepayments and other assets also increased with the timing and nature of certain prepaid expenses.

**Noncurrent assets** increased \$3.7 million during 2025 primarily due to an increase in regulatory assets and other long-term assets because of additional funding relating to the Windy Gap Firming Project (note 11). Other long-term assets also increased due to annual fiber leases being renewed for multiple-year terms.

In 2024, noncurrent assets increased \$1.6 million over 2023 primarily due to an increase in regulatory assets caused by a difference between base contributions and pension expense calculated by the actuary and an additional funding requirement for the defined benefit pension

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plan. These differences are recorded in accordance with the GASB 62 board-approved pension related accounting policies (note 6). Other long-term assets also increased because of additional funding relating to the Windy Gap Firming Project (note 11) partially offset by more prepayments being included in current assets due to their timing and nature.

**Deferred outflows of resources** decreased \$11.9 million during 2025 primarily due to amortization of asset retirement obligations (note 9) and a decrease in defined benefit pension plan deferrals because of an increase in market returns.

In 2024, deferred outflows of resources increased \$4.1 million over 2023 primarily due to updated cost estimates for decommissioning and impoundment closure costs of the Rawhide Energy Station (note 9), partially offset by a decrease in defined benefit pension plan deferrals because of an increase in market returns.

**Noncurrent liabilities** decreased \$28.6 million during 2025 primarily due to principal retirements and amortization of premiums of long-term debt (note 7), a decrease in net pension liability due to contributions and higher market returns (note 8) and principal retirements of lease and subscription liabilities (note 12). Partially offsetting the decreases were increases to asset retirement obligations primarily due to inflationary and cost estimate adjustments (note 9).

In 2024, noncurrent liabilities decreased \$2.6 million from 2023 primarily due to both principal retirements and amortization of premiums (note 7) and a decrease in net pension liability due to contributions and higher market returns (note 8). Partially offsetting the decreases were increases to asset retirement obligations as noted above in deferred outflows of resources (note 9), lease and subscription liabilities (note 12), liabilities for compensated absences and disposal facility closure costs (note 10).

**Current liabilities** increased \$9.6 million during 2025 primarily due to increases in accounts payable due to the timing of payment of operating expense invoices and increased capital expenditures, the current portion of other long-term obligations (note 11) and current maturities of long-term debt (note 7). Partially offsetting the increases was a decrease in the current portion of asset retirement obligations (note 9).

In 2024, current liabilities increased \$3.9 million over 2023 primarily due to increases in the current portion of asset retirement obligations (note 9), prepayments from others on interconnection agreements, retainage held on contracts, current maturities of long-term debt (note 7) and the current portion of lease and subscription liabilities (note 12). Partially offsetting the increases was a decrease from recognizing fiber lease revenue collected in prior periods as other income.

**Deferred inflows of resources** increased \$39.4 million during 2025 primarily due to changes in regulatory credits as Platte River deferred \$46.4 million of operating revenues (note 6). There were other increases in regulatory credits for pension expense differences and Craig units 1 and 2 decommissioning accrual (note 6). Pension deferrals increased primarily due to the net difference between projected and actual earnings on investments (note 8). Lease deferrals

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increased due to annual fiber lease agreements being renewed for multiple-year terms. Partially offsetting the increases were decreases in regulatory credits for the reversal of the accrual for the 2025 Rawhide Unit 1 scheduled major maintenance outage (note 6) and recognition of amortization for the change in depreciation method (note 6).

In 2024, deferred inflows of resources increased \$22.7 million over 2023 primarily due to changes in regulatory credits as Platte River deferred \$26.2 million of operating revenues (note 6). There were also increases in the regulatory credits for the accrual of the 2025 Rawhide Unit 1 scheduled major maintenance outage (note 6) and the regulatory credit for Craig units 1 and 2 decommissioning accrual (note 6). Partially offsetting the increases were amortization of the regulatory credit for the change in depreciation method (note 6) and amortization of defined benefit pension plan regulatory credit (note 6).

**Condensed statements of revenues, expenses and changes in net position**

	Years ended Dec. 31,		
	2025	2024	2023
	<i>(in thousands)</i>		
Operating revenues	\$ 275,469	\$ 271,323	\$ 257,511
Operating expenses	280,453	277,645	257,762
Operating income	(4,984)	(6,322)	(251)
Nonoperating revenues (expenses), net	12,318	13,314	9,513
Change in net position	7,334	6,992	9,262
Beginning net position, as previously reported	673,405	666,413	657,923
Restatement for change in accounting principle	-	-	(772)
Net position at beginning of year	673,405	666,413	657,151
Net position at end of year	<u>\$ 680,739</u>	<u>\$ 673,405</u>	<u>\$ 666,413</u>

**Changes in net position**

Net position increased \$7.3 million in 2025, \$0.3 million higher than in 2024, after deferring \$46.4 million of current-year revenues under the board-approved deferred revenue and expense accounting policy (note 6). Before this deferral, change in net position was \$53.7 million. There were increases in operating revenues and operating expenses and a decrease in nonoperating revenues, net. Net position increased \$7.0 million in 2024, after deferring revenues of \$26.2 million, \$2.3 million lower than 2023. There were increases in operating revenues, operating expenses and nonoperating revenues, net.

**Operating revenues** in 2025 increased \$4.1 million from 2024.

- Sales to the owner communities increased \$12.7 million over 2024 primarily due to a 6.3% average wholesale rate increase and increases in owner communities' coincident and non-coincident billing demand of 0.1% each, partially offset by a decrease in energy deliveries of 0.2%.

**Platte River Power Authority**  
Management's discussion and analysis (unaudited)  
Dec. 31, 2025 and 2024

- Sales for resale and other increased \$11.6 million from 2024 primarily due to higher market sales volume and average market price. Additional revenues were generated from short-term capacity contracts and renewable energy certificate sales.
- Deferred regulatory revenues increased \$20.2 million from 2024 due to higher change in net position before deferring revenue. Operating revenues were reduced by this amount.

**Operating revenues** in 2024 increased \$13.8 million from 2023.

- Sales to the owner communities increased \$11.6 million over 2023 primarily due to a 5.0% average wholesale rate increase and increases in owner communities' energy deliveries of 0.6% and coincident and non-coincident billing demand of 1.2% and 1.5%, respectively.
- Sales for resale and other decreased \$2.8 million from 2023 primarily due to lower energy served under long-term contracts and lower market sales volume, partially offset by a higher average market price and additional point-to-point service reservations.
- Deferred regulatory revenues decreased \$5.0 million from 2023, which reduces operating revenues, due to lower financial results.

**Operating expenses** in 2025 increased \$2.8 million from 2024.

- Purchased power increased \$3.9 million over 2024 primarily due to higher purchased volume of solar energy as Black Hollow Sun achieved commercial operation, higher purchased volume from wind resources due to favorable conditions and higher purchased reserves. Partially offsetting the increases was a net decrease in other purchases including reversal of accrued replacement power outage costs as the final Rawhide Unit 1 scheduled major maintenance outage occurred in 2025.
- Fuel increased \$3.6 million over 2024. Fuel for the Craig units increased \$1.8 million due to operating at a higher capacity factor and higher average fuel price. Fuel for the frame combustion turbines units increased \$1.2 million due to an increase in average natural gas price partially offset by operating at a lower capacity factor. Rawhide Unit 1 also operated at a higher capacity factor resulting in \$0.6 million higher expenses, partially offset by a lower average fuel price.
- Production decreased \$0.6 million from 2024 primarily due to lower combustion turbine non-routine projects and decreased operating costs at the Craig Generating Station. Partially offsetting the decreases were increases due to the final Rawhide Unit 1 scheduled major maintenance outage and increases for Windy Gap water expenses.
- Transmission increased \$2.7 million over 2024 primarily due to increased personnel costs, costs of jointly owned facilities and wheeling expenses.

**Platte River Power Authority**  
Management's discussion and analysis (unaudited)  
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- Administrative and general increased \$1.9 million over 2024 primarily due to increased personnel and planning costs.
- Distributed energy resources decreased \$0.1 million from 2024 primarily due to decreased program participation in the commercial and industrial segment and lower general expenses, partially offset by increased participation in the residential segment.
- Depreciation, amortization and accretion decreased \$8.6 million from 2024 primarily due to a reduction in amortization expenses from the recognition of a net gain from the sales of Windy Gap water units. Partially offsetting the decrease were increases in amortization for asset retirement obligations and subscription assets.

**Operating expenses** in 2024 increased \$19.9 million from 2023.

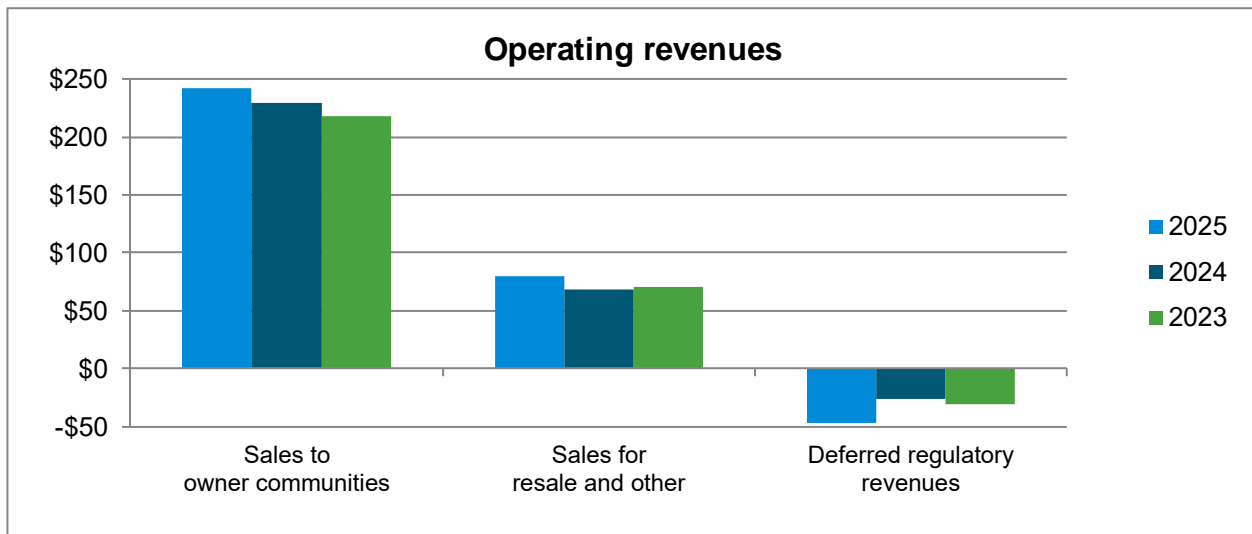
- Purchased power increased \$1.5 million over 2023 primarily due to less energy delivered under the forced outage exchange agreement because the agreement terminated during the year. Energy deliveries under this type of exchange agreement are credited to expense thus fewer deliveries increase expense. The increase was partially offset by overall lower purchased volumes of wind, hydropower and solar energy.
- Fuel decreased \$2.9 million from 2023. Fuel for the frame combustion turbines units and Rawhide Unit 1 decreased \$4.7 million and \$1.9 million, respectively, primarily due to operating at a lower capacity factor. Average natural gas price was also more favorable. Partially offsetting the decreases was an \$3.7 million increase in fuel for the Craig units due primarily to operating at a higher capacity factor and with higher fuel prices.
- Production decreased \$1.0 million from 2023 primarily due to decreased operating expenses at the Craig units as there was no scheduled maintenance outages, partially offset by increased personnel costs.
- Transmission increased \$0.1 million from 2023 primarily due to increased personnel costs partially offset by an overall decrease in non-routine projects.
- Administrative and general increased \$5.5 million over 2023 primarily due to increased personnel costs from new positions and increased costs toward technology initiatives, partially offset by lower planning expenses.
- Distributed energy resources increased \$1.9 million over 2023 primarily due to increased program participation and increased personnel costs.
- Depreciation, amortization and accretion increased \$14.8 million from 2023 primarily due to higher amortization expenses as there was not a comparable gain as in 2023 recognized from the change in depreciation method regulatory credit (note 6). Amortization of subscription assets and deferred outflows of resources for asset retirement obligations also increased.

**Platte River Power Authority**  
**Management's discussion and analysis (unaudited)**  
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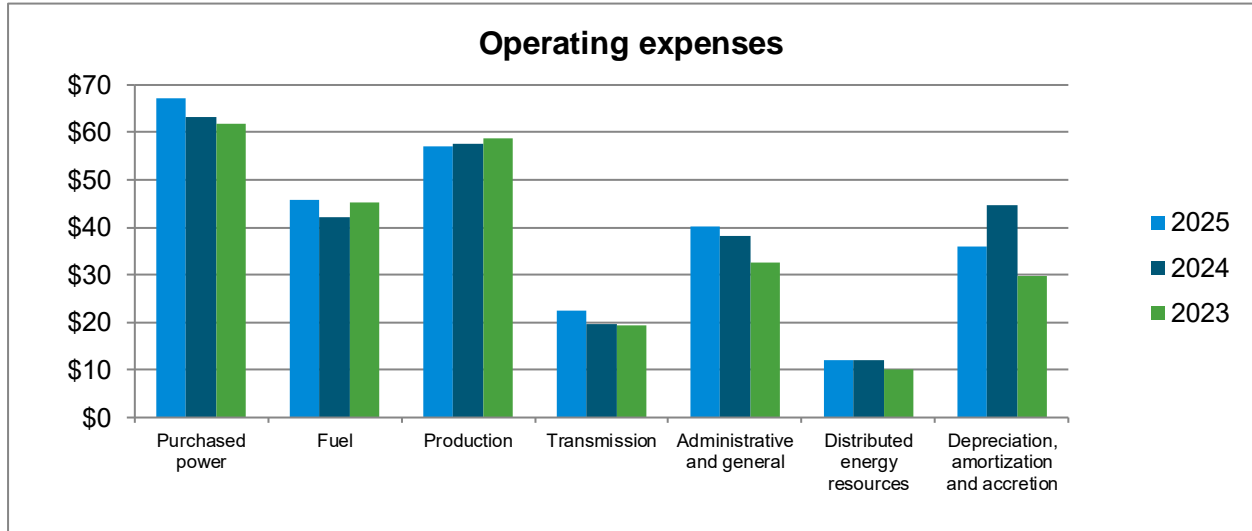
**Nonoperating revenues (expenses), net**, in 2025 decreased \$1.0 million from 2024. The decrease was primarily due to a lower increase in fair value of investments and lower other income due to the lack of comparable fiber lease revenue as recognized in the prior year. Partially offsetting the decreases were increased interest income, other income from liquidated damages from the delay of the commercial operation date of the Black Hollow Sun project, and lower interest expense on outstanding debt.

**Nonoperating revenues (expenses), net**, in 2024 increased \$3.8 million over 2023. The increase was due to interest income earned from larger average fund balances and higher rates on portfolio investments and additional other income due to recognition of fiber lease revenue resulting from an amendment to the Intergovernmental Agreement for Fiber Management. Partially offsetting the increases was a lower increase in the fair value of investments due to higher interest rates.

**Operating revenues and expenses**  
*(in millions)*



**Platte River Power Authority**  
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**Debt ratings**

The ratings on Platte River's existing bonds remained unchanged.

Bond issue	Moody's	Fitch	S&P
Power revenue bonds			
Series JJ	- <sup>(1)</sup>	AA	AA
Taxable Series KK	Aa2	AA	- <sup>(1)</sup>

(1) Credit rating not obtained.

**Budgetary highlights**

Platte River's board approved the 2025 Strategic Budget with total revenues of \$324.6 million, operating expenses of \$250.0 million, capital additions of \$160.9 million and debt service expenditures of \$19.1 million. After closing 2025, \$21.1 million of the total \$75.0 million budget-appropriated board contingency was required. As discussed in the sections that follow, capital additions required \$21.1 million and debt service expenditures required \$8.9 thousand. The budget comparison amounts below reflect this transfer between appropriated categories. The following budgetary highlights are presented on a non-GAAP budgetary basis. The budgetary comparison schedule is presented as supplementary information at the end of the document.

**Total revenues** of \$336.1 million ended the year \$11.5 million above budget.

- Sales to owner communities of \$242.0 million were \$6.4 million below budget due to below-budget energy deliveries and billing demand.
- Sales for resale and other totaled \$79.8 million and were above budget \$15.0 million. Energy volume and the average price were above budget, Wheeling was above budget due to additional point-to-point transmission service reservations and the 2025 rate

**Platte River Power Authority**  
Management's discussion and analysis (unaudited)  
Dec. 31, 2025 and 2024

increase. Additional revenue was earned out of budget from sales of renewable energy certificates.

- Interest and other income of \$14.3 million was above budget \$2.9 million primarily due to liquidated damages from the delay of the commercial operation date of the Black Hollow Sun project and higher interest income earned on investments.

**Operating expenses** of \$243.2 million ended the year \$6.8 million below budget.

- Purchased power of \$67.2 million was \$2.6 million below budget primarily due to below-budget solar and wind energy and lower rates for purchased reserves. The below-budget expenses were partially offset by above-budget market purchases due to higher prices, bilateral purchases due to volumes and price during Rawhide Unit 1 outages and hydropower purchases due to favorable water conditions.
- Fuel of \$45.8 million was \$3.4 million above budget primarily due to coal expenses, partially offset by natural gas expenses.
  - Generation from Craig units 1 and 2 was above budget to serve higher-than-budgeted bilateral and market sales.
  - Generation from Rawhide Unit 1 was above budget primarily to serve higher-than-budgeted bilateral and market sales and due to delayed commercial operation of the Black Hollow Sun project, partially offset by unplanned outages and an extension of the scheduled major maintenance outage. Price for Rawhide Unit 1 was below budget due to not incurring liquidated damage charges as the minimum contract deliveries were met, a lower transportation base rate and lower demurrage charges. Less fuel was required due to a more efficient heat rate.
  - Natural gas expenses for the frame combustion turbines were below budget due to lower calls on capacity contracts, partially offset by additional natural gas required to replace Rawhide Unit 1's generation because of its extended scheduled major maintenance outage. Natural gas commodity prices were above budget.
- Production, transmission, administrative and general of \$118.3 million were \$4.3 million below budget primarily due to personnel, Rawhide non-routine projects, software and hardware, consulting services, wheeling and resource planning initiatives, partially offset by above-budget expenses for Rawhide Unit 1's scheduled major maintenance outage and unplanned outage.
- Distributed energy resources of \$11.9 million were \$3.3 million below budget primarily due to reduced size and volume of commercial and industrial upgrades, a delay in virtual power plant programs until 2026, personnel expenses, marketing expenses and slower

**Platte River Power Authority**  
Management's discussion and analysis (unaudited)  
Dec. 31, 2025 and 2024

participation in consumer engagement programs, partially offset by increased participation in residential programs.

**Capital additions** of \$142.8 million ended the year \$18.1 million below budget following a \$21.1 million contingency transfer. The contingency transfer was to account for above-budget expenditures for projects and to allow carryover funds for uncompleted projects. Projects were not completed because of schedule changes, scope changes, contract or material delays, internal resource constraints and canceled projects and the total variance was carried over to the 2026 Strategic Budget to complete these projects. Production additions, transmission additions, general additions and asset retirement obligations were below budget \$1.3 million, \$5.0 million, \$11.1 million and \$0.7 million, respectively.

**Debt service expenditures** of \$19.1 million were at budget following an \$8.9 thousand contingency transfer for payments on lease and subscription liabilities.

**Platte River Power Authority**  
**Statements of net position**  
Dec. 31, 2025 and 2024

	Dec. 31,	
	2025	2024
	<i>(in thousands)</i>	
<b>Assets</b>		
Electric utility plant, at original cost (notes 3 and 4)		
Land and land rights	\$ 19,940	\$ 19,446
Plant and equipment in service	1,537,809	1,506,256
Less: accumulated depreciation and amortization	(1,055,555)	(1,015,250)
Plant in service, net	502,194	510,452
Construction work in progress	185,956	83,032
Total electric utility plant	688,150	593,484
Special funds and investments (note 5)		
Restricted funds and investments	18,289	20,838
Dedicated funds and investments	123,676	160,300
Total special funds and investments	141,965	181,138
Current assets		
Cash and cash equivalents (notes 3 and 5)	32,605	58,568
Other temporary investments (note 5)	52,963	52,709
Accounts receivable—owner communities	19,511	18,365
Accounts receivable—other	10,622	8,432
Fuel inventory, at last-in, first-out cost	22,151	21,498
Materials and supplies inventory, at average cost	19,238	18,614
Prepayments and other assets	5,732	4,181
Total current assets	162,822	182,367
Noncurrent assets		
Regulatory assets (note 6)	134,492	132,722
Other long-term assets	12,221	10,297
Total noncurrent assets	146,713	143,019
Total assets	1,139,650	1,100,008
<b>Deferred outflows of resources</b>		
Deferred loss on debt refundings (note 7)	1,026	1,596
Pension deferrals (note 8)	626	5,730
Asset retirement obligations (note 9)	28,920	35,192
Total deferred outflows of resources	30,572	42,518

See notes to financial statements.

**Platte River Power Authority**  
**Statements of net position**  
Dec. 31, 2025 and 2024

	<b>Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
<b>Liabilities</b>		
Noncurrent liabilities		
Long-term debt, net (notes 7 and 10)	\$ 91,443	\$ 107,207
Net pension liability (note 8)	14,085	27,285
Other long-term obligations (note 11)	93,695	93,406
Lease and subscription liabilities (note 12)	1,443	2,388
Asset retirement obligations (note 9)	47,528	46,041
Other liabilities and credits (note 10)	13,586	14,072
Total noncurrent liabilities	261,780	290,399
Current liabilities		
Current maturities of long-term debt (note 7)	13,965	13,400
Current portion of other long-term obligations (note 11)	2,148	889
Current portion of lease and subscription liabilities (note 12)	1,361	1,042
Current portion of asset retirement obligations (note 9)	2,239	3,436
Accounts payable	30,308	21,547
Accrued interest	313	366
Accrued liabilities and other	9,776	9,815
Total current liabilities	60,110	50,495
Total liabilities	321,890	340,894
<b>Deferred inflows of resources</b>		
Deferred gain on debt refundings (note 7)	87	100
Regulatory credits (note 6)	158,637	127,543
Pension deferrals (note 8)	5,826	-
Lease deferrals (note 4)	3,043	584
Total deferred inflows of resources	167,593	128,227
<b>Net position</b>		
Net investment in capital assets (note 13)	577,160	463,248
Restricted	17,976	20,472
Unrestricted	85,603	189,685
Total net position	\$ 680,739	\$ 673,405

See notes to financial statements.

**Platte River Power Authority**  
**Statements of revenues, expenses and changes in net position**  
Dec. 31, 2025 and 2024

	<b>Years ended Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
<b>Operating revenues</b>		
Sales to owner communities	\$ 242,058	\$ 229,323
Sales for resale and other	79,772	68,200
Deferred regulatory revenues (note 6)	<u>(46,361)</u>	<u>(26,200)</u>
Total operating revenues	<b>275,469</b>	<b>271,323</b>
<b>Operating expenses</b>		
Purchased power	67,174	63,230
Fuel	45,815	42,173
Production	56,995	57,629
Transmission	22,389	19,679
Administrative and general	40,132	38,260
Distributed energy resources	11,950	12,100
Depreciation, amortization and accretion (notes 4, 6 and 9)	35,998	44,574
Total operating expenses	<u>280,453</u>	<u>277,645</u>
Operating income	<b>(4,984)</b>	<b>(6,322)</b>
<b>Nonoperating revenues (expenses)</b> (notes 5, 7 and 12)		
Interest income	11,941	11,547
Other income	2,171	2,917
Interest expense	(2,949)	(3,380)
Net increase in fair value of investments	1,155	2,230
Total nonoperating revenues (expenses)	<u>12,318</u>	<u>13,314</u>
Change in net position	<b>7,334</b>	<b>6,992</b>
Net position at beginning of year	<u>673,405</u>	<u>666,413</u>
Net position at end of year	<b>\$ 680,739</b>	<b>\$ 673,405</b>

See notes to financial statements.

**Platte River Power Authority**  
**Statements of cash flows**  
Dec. 31, 2025 and 2024

	<b>Years ended Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 318,495	\$ 294,319
Payments for operating goods and services	(184,140)	(167,883)
Payments for employee services	(68,725)	(59,419)
Net cash provided by operating activities	65,630	67,017
<b>Cash flows from capital and related financing activities</b>		
Additions to electric utility plant	(133,892)	(74,821)
Payments from accounts payable incurred for electric utility plant additions	(3,494)	(2,136)
Proceeds from disposal of electric utility plant	14,944	104
Principal payments on long-term debt	(13,400)	(12,790)
Interest payments on long-term debt	(4,075)	(4,692)
Payments related to other long-term obligations	(4,436)	(5,390)
Principal payments on lease and subscription liabilities	(1,203)	(1,311)
Interest payments on lease and subscription liabilities	(100)	(66)
Receipts from lease receivables	591	120
Net cash used in capital and related financing activities	(145,065)	(100,982)
<b>Cash flows from investing activities</b>		
Purchases and sales of temporary and restricted investments, net	39,920	7,095
Interest and other income, including realized gains and losses, net	13,552	14,718
Net cash provided by investing activities	53,472	21,813
Decrease in cash and cash equivalents	(25,963)	(12,152)
Balance at beginning of year in cash and cash equivalents	58,568	70,720
Balance at end of year in cash and cash equivalents	\$ 32,605	\$ 58,568

See notes to financial statements.

**Platte River Power Authority**  
**Statements of cash flows**  
Dec. 31, 2025 and 2024

	<b>Years ended Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ (4,984)	\$ (6,322)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	41,826	41,376
Amortization	(15,568)	(3,720)
Operating expenses relating to other long-term obligations (note 11)	3,452	2,964
Changes in assets and liabilities that provided/(used) cash		
Accounts receivable	(3,335)	(2,409)
Fuel and materials and supplies inventories	(1,278)	(2,482)
Prepayments and other assets	(281)	(493)
Regulatory assets	(91)	(1,911)
Deferred outflows of resources	11,376	(4,764)
Accounts payable	4,811	(4,355)
Net pension liability	(13,200)	(989)
Asset retirement obligations	290	13,561
Other liabilities	(1,044)	5,597
Deferred inflows of resources	43,656	30,964
Net cash provided by operating activities	\$ 65,630	\$ 67,017
<b>Noncash capital and related financing activities</b>		
Additions of electric utility plant through incurrence of accounts payable	\$ 7,444	\$ 3,494
Additions of electric utility plant through leasing and subscription	577	3,239
Amortization of regulatory assets (debt issuance costs)	66	74
Amortization of bond premiums, deferred loss and deferred gain on refundings	(1,240)	(1,402)

See notes to financial statements.

**Platte River Power Authority**  
**Defined benefit pension plan**  
**Statements of fiduciary net position**  
Dec. 31, 2025 and 2024

	<b>Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
<b>Assets</b>		
Cash equivalents	\$ 1,827	\$ 1,721
Investment income receivable	6	31
Investments		
Fixed income securities	35,698	27,622
Domestic equity securities	25,376	48,418
World equity securities	27,524	-
International equity securities	19,141	26,063
Infrastructure	9,421	3,936
Natural resources	-	1,727
Real estate funds	9,415	4,052
Private credit	3,749	3,951
Private equity	4,711	2,829
Total investments	135,035	118,598
Total assets	136,868	120,350
<b>Net position restricted for pension benefits</b>	<b>\$ 136,868</b>	<b>\$ 120,350</b>

See notes to financial statements.

**Platte River Power Authority**  
**Defined benefit pension plan**  
Statements of changes in fiduciary net position  
Dec. 31, 2025 and 2024

	<b>Years ended Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
<b>Additions</b>		
Employer contributions	\$ 8,008	\$ 6,073
Investment income		
Net increase in fair value of investments	18,611	8,831
Interest and dividends	174	1,870
Investment management fees	(145)	(55)
Net investment income	18,640	10,646
Total additions	26,648	16,719
<b>Deductions</b>		
Benefit payments	10,130	9,288
Change in plan net position	16,518	7,431
<b>Net position restricted for pension benefits</b>		
Beginning net position	120,350	112,919
Ending net position	\$ 136,868	\$ 120,350

See notes to financial statements.

**Platte River Power Authority**  
**Notes to financial statements**  
Dec. 31, 2025 and 2024

**1. Organization**

Platte River was organized under Colorado law as a separate governmental entity by the four owner communities of Estes Park, Fort Collins, Longmont and Loveland. Platte River contracted to supply the wholesale electric power and energy requirements of each of these owners, with limited exceptions. An owner may self-supply power and energy equivalent to the capacity of its generating facilities in service on Sept. 5, 1974, and may add new resources up to a limit of 1,000 kW or 1% of the owner community’s peak load, whichever is greater. An owner community may also purchase power from its net metered customers subject to net metering limitations. During 2025, Platte River’s power supply contracts were extended 15 years through Dec. 31, 2075.

Each of the four owner communities has a residual interest in Platte River’s assets and liabilities upon dissolution, which is proportional to the total revenue received from each owner community since Platte River was organized, less any contributions of assets previously distributed. Based upon electric revenues billed from inception through Dec. 31, 2025, these residual interests are approximately as follows.

	<b>Residual interest</b>
City of Fort Collins	48%
City of Longmont	26%
City of Loveland	22%
Town of Estes Park	4%
	100%

Under Colorado law, the Power Supply Agreements with the owner communities and the General Power Bond Resolution, the board has the exclusive authority to establish the electric rates to be charged to the owner communities. Platte River must follow specified statutory procedures, including public notice and holding a hearing to receive public comments, before adopting an annual budget.

The defined benefit pension plan is a single-employer defined benefit pension plan, which Platte River includes in the financial statements as a fiduciary component unit reported as a pension trust fund in the fiduciary funds statements. Platte River’s board is the designated governing body over the defined benefit pension plan and has authority to amend the defined benefit pension plan. The retirement committee established under the defined benefit pension plan oversees the plan’s investments. Platte River does not issue separate stand-alone financial statements of the defined benefit pension plan.

**2. Operations**

**Rawhide Energy Station**

The Rawhide Energy Station consists of Rawhide Unit 1, a 280 megawatt (net) coal-fired generating facility, a cooling pond, coal-handling facilities, related transmission facilities, five

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simple-cycle natural gas-fired combustion turbines and two solar facilities. Natural gas units A, B and D have nameplate capacity of 65 megawatts each, unit C has a nameplate capacity of 75 megawatts and unit F has a nameplate capacity of 145 megawatts. Solar facilities include Rawhide Solar Flats (30 megawatts) and Rawhide Prairie Solar (22 megawatts). Rawhide Prairie Solar has an integrated battery energy storage system of two megawatt-hours, which can be discharged once daily at a rate up to one megawatt per hour. Platte River owns and operates all Rawhide Energy Station facilities except for the solar and battery energy storage facilities. Rawhide Unit 1 is scheduled to retire by Dec. 31, 2029.

### Yampa project

Platte River owns 18%, or 151 megawatts, of Craig units 1 and 2 of the Yampa Project as a tenant-in-common with four other electric utilities. The current Yampa Project Participation Agreement took effect April 15, 1992. Craig Unit 1 was scheduled to retire by Dec. 31, 2025, but, on Dec. 30, 2025, Platte River and the other owners received an emergency order from the DOE requiring them to keep Craig Unit 1 available to operate for 90 days. On March 30, 2026, Platte River and the other owners received a second emergency order from the DOE requiring them to keep Craig Unit 1 available to operate for 90 days through June 28, 2026 (note 18). Craig Unit 2 is scheduled to retire Sept. 30, 2028. The Yampa Project consists of 837 megawatts of coal-fired generation and associated transmission plant facilities located near the town of Craig in northwestern Colorado. Platte River's share of the plant investment is included in plant in service, net, in the accompanying statements of net position. Platte River's share of operating expenses of the Yampa Project is included in operating expenses in the accompanying statements of revenues, expenses and changes in net position. Separate financial statements for the Yampa Project are not available. In addition, Platte River and two of the other Yampa Project participants own Trapper Mining, Inc., which owns and operates the adjacent coal mine that supplies coal for Craig units 1 and 2.

### Windy Gap water

Under an agreement with the Municipal Subdistrict of Northern Colorado Water Conservancy District, Platte River is entitled to an allocation of the available water from the Windy Gap Project, a water diversion facility completed May 1, 1985. The water is used in operations at the Rawhide Energy Station. Platte River's share of operating expenses of the Windy Gap Project is included in operating expenses in the accompanying statements of revenues, expenses and changes in net position. Additionally, Platte River is a participant in the Windy Gap Firming Project (Chimney Hollow Reservoir) following cash contributions from participants and the issuance of pooled financing for the project in 2021 (notes 6 and 11).

## 3. Summary of significant accounting policies

### Reporting entity

For financial reporting purposes, Platte River meets the criteria of an "other stand-alone government." As a municipal utility and a separate governmental entity, Platte River is exempt from taxes on its income. Platte River is also exempt from taxes on its property located in Colorado.

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The defined benefit pension plan is a single-employer defined benefit pension plan covering all employees of Platte River hired before Sept. 1, 2010 (note 8). Platte River contributes to the defined benefit pension plan based upon actuarial studies and has primary responsibility for managing the defined benefit pension plan. All retirement plan committee members are appointed by the board. Platte River also provides all accounting, reporting and administrative services to the defined benefit pension plan. Platte River has fiduciary responsibility for the defined benefit pension plan. Platte River includes the defined benefit pension plan in the accompanying basic financial statements as a fiduciary component unit of Platte River reported as a pension trust fund in the fiduciary funds statements.

### Basis of accounting

Platte River accounts for its financial operations as a “proprietary fund.” The accompanying financial statements for Platte River and the defined benefit pension plan have been prepared using the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America. Platte River’s accounts are maintained in accordance with the Uniform System of Accounts as prescribed by FERC.

As a board-regulated entity, Platte River is subject to the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, Regulated Operations, paragraphs 476–500, which requires the effects of the rate-making process to be recorded in the financial statements. Accordingly, certain expenses and revenues normally reflected in the statements of revenues, expenses and changes in net position as incurred are recognized when they are included in Platte River’s wholesale rates. Platte River has recorded various regulatory assets and credits to reflect the rate-making process (note 6).

### Budgetary process

The Colorado State Local Government Law requires a formal budgetary process, which Platte River uses as a management control tool. Staff must submit a proposed annual budget to the board by Oct. 15 of each year. Following a public hearing, the board considers the budget for adoption on or before Dec. 31. Because Platte River operates as an enterprise, it is not subject to the Colorado Taxpayers’ Bill of Rights.

### Use of estimates

Platte River prepares its financial statements for itself and the defined benefit pension plan in conformity with accounting principles generally accepted in the United States of America as prescribed by GASB. These require management to make estimates and assumptions that affect (a) the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, (b) disclosure of contingent assets and liabilities at the date of the financial statements and (c) the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

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**Electric utility plant and depreciation**

Electric utility plant is stated at the historical cost of construction and includes expenditures of \$5,000 or more for property, equipment or construction projects with an estimated useful life greater than two years. Construction costs include labor, materials and contracted services. The cost of additions to utility plant and replacement property units is capitalized. Repairs, maintenance and minor replacement costs are charged to expense when incurred.

Platte River engages in leasing activity, both as a lessee and a lessor. In accordance with GASB Statement No. 87, *Leases*, the lease term is the period where there is a noncancellable right to use the underlying asset. For lessor contracts, lease receivables and deferred inflows of resources are recognized at present value. Lease receivables are reported in prepayments and other assets for the current portion and other long-term assets for the long-term portion within the statements of net position. For lessee contracts, lease assets and related liabilities are recognized at present value using Platte River's estimated incremental borrowing rate unless otherwise contained in the contract terms. Lease assets are reported in electric utility plant and lease liabilities are reported in lease and subscription liabilities within the statements of net position. This recognition applies to leases with a present value of \$50,000 or more at the beginning of the lease term and a term greater than one year.

Platte River also enters into subscription-based information technology arrangements. In accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the subscription term is the period where there is a noncancellable right to use the underlying asset, including considerations for options within contracts to extend the terms based on management's best estimate of exercising those options at the time of commencement. Subscription assets and related liabilities are recognized at present value using Platte River's estimated incremental borrowing rate, unless otherwise contained in the contract terms, at the commencement of the subscription term. Subscription assets also include other costs incurred during the initial implementation stage. Subscription assets are reported in electric utility plant and subscription liabilities are reported in lease and subscription liabilities within the statements of net position. This recognition applies to subscriptions with a present value of \$50,000 or more at the commencement of the subscription term and a term greater than one year.

Depreciation is recorded using the straight-line method over the estimated useful lives of the various classes of plant in service, which range from five to 50 years. Following asset closure announcements, assets are evaluated and estimated useful lives are accelerated, as applicable. For lease and subscription assets, amortization is recorded over the shorter of the lease or subscription term, or the estimated useful life of the underlying asset.

**Cash and cash equivalents**

For purposes of the statements of cash flows, Platte River considers all cash on deposit with financial institutions and highly liquid investments with an original maturity of less than three months, excluding special funds and investments, as cash and cash equivalents. At Dec. 31, 2025 and 2024, cash equivalents consisted of local government investment pools and money market funds.

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**Closure and postclosure care costs of disposal facility**

Platte River accrues a liability of estimated future closure and postclosure care costs for its Rawhide Energy Station ash disposal facility. The liability is determined by multiplying the estimated closure and postclosure care costs in current dollars by the percentage of the disposal facility's total estimated capacity, by cell, used through the end of the year (note 10). Platte River complies with financial assurance annual requirements of the Colorado Department of Public Health and Environment. No assets are restricted for payment of closure and postclosure care costs.

**Asset retirement obligations**

An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Following GASB Statement No. 83, *Certain Asset Retirement Obligations*, Platte River records an asset retirement obligation liability when it has determined that a liability has been incurred based on (a) the occurrence of an external obligating event, such as laws, regulations, contracts or court judgments and (b) an internal obligating event that obligates it to perform asset retirement activities. Platte River updates the asset retirement obligations by inflation or deflation annually and when significant changes occur (note 9).

**Long-term debt**

Platte River defers the difference between the reacquisition price and the net carrying amount of refunded debt (deferred amount on refundings) in an advance or current refunding. Platte River then amortizes the difference as a component of interest expense using the bonds outstanding method over the shorter of the remaining life of the defeased debt or the life of the new debt. The deferred amounts are reported as deferred outflows or inflows of resources.

**Operating revenues and expenses**

Operating revenues and expenses consist of revenues and costs directly related to the generation, purchase, sale and transmission of electricity. Operating revenues are recorded at the end of each month for all electricity delivered. Operating revenues include the amount of deferred regulatory revenues recorded as a regulatory credit (note 6) to be recognized in one or more future periods. Revenues and expenses related to financing, investing and other activities are considered nonoperating.

**Compensated absences**

Platte River allows employees to accumulate unused compensated absences for personal, sick, compensatory time, floating holiday and recognition leave. Personal, compensatory time and floating holiday leave may be accumulated to a specified limit, whereas accumulated sick and recognition leave is unlimited. Employees are entitled to full payment for any unused personal and recognition leave upon retirement or termination of employment; they are paid at a reduced rate for any accumulated unused sick leave. Non-exempt employees are entitled to full payment for any unused compensatory time. Unused floating holiday and compensatory time for exempt employees are not paid upon termination of employment. In accordance with GASB Statement No. 101, *Compensated Absences*, accrued liabilities for these compensated absences are valued using an estimate of leave more likely than not to be used for time off or otherwise paid

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or settled. The leave is measured by the pay rate of each employee multiplied by their number of accumulated unused hours in each leave bank. For leave types that do not entitle the employee to full payment for any unused leave upon retirement or termination of employment, an estimate of probability each type of leave will be used for time off or otherwise paid or settled is also used in measuring the liability. This estimate includes evaluating historical use and settlement trends and management's determination of any facts or circumstances that indicate those historical trends may not be reflective of estimated future use, if relevant.

Platte River also provides leave benefits to employees that result in compensated absences following a qualified sporadic event affecting a small portion of employees. In accordance with GASB 101, accrued liabilities for these leave benefits are valued using an estimate of remaining leave more likely than not to be used for time off based on the occurrence of a qualified sporadic event and each eligible employee's pay rate.

In the financial statements, Platte River estimates a portion of the total unused compensated absences as due within one year with the remainder of the liability recorded as a noncurrent liability (note 10).

**Deferred outflows of resources**

Deferred outflows consist of unamortized deferred losses on debt refunding, defined benefit pension plan-related deferrals (note 8) and unamortized asset retirement obligations (note 9).

**Deferred inflows of resources**

Deferred inflows consist of unamortized deferred gains on debt refunding, regulatory credits (note 6), defined benefit pension plan-related deferrals (note 8) and lease deferrals (note 4).

**Use of restricted and unrestricted resources**

Platte River's use of restricted and unrestricted resources is based on the intended purposes stated in the bond resolutions.

**Adoption of recent accounting pronouncement**

In 2025, Platte River implemented GASB Statement No. 102, *Certain Risk Disclosures*. The new accounting guidance establishes requirements for disclosures related to concentrations and constraints that may expose a government to risk due to a lack of diversity. Specifically, the standard requires disclosures when such concentrations or constraints are known and meet defined criteria. GASB Statement No. 102 applies to financial statements with reporting periods beginning after June 15, 2024. Platte River evaluated activities in accordance with the provision of the new standard and determined additional disclosure is not required.

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**4. Electric utility plant**

Electric utility plant asset activity for the year ended Dec. 31, 2025, was as follows.

	<b>Dec. 31, 2024</b>	<b>Increases</b>	<b>Decreases</b>	<b>Dec. 31, 2025</b>
	<i>(in thousands)</i>			
<b>Nondepreciable assets</b>				
Land and land rights	\$ 19,446	\$ 494	\$ -	\$ 19,940
Construction work in progress	83,032	141,191	(38,267)	185,956
	<u>102,478</u>	<u>141,685</u>	<u>(38,267)</u>	<u>205,896</u>
<b>Depreciable assets</b>				
Production plant	986,535	5,683	(3,265)	988,953
Transmission plant	402,912	22,135	(266)	424,781
General plant	99,586	9,922	(2,947)	106,561
	<u>1,489,033</u>	<u>37,740</u>	<u>(6,478)</u>	<u>1,520,295</u>
Less accumulated depreciation	<u>(1,010,923)</u>	<u>(41,826)</u>	<u>5,589</u>	<u>(1,047,160)</u>
	478,110	(4,086)	(889)	473,135
<b>Amortizable lease assets</b>				
General plant	134	-	-	134
Less accumulated amortization	<u>(31)</u>	<u>(10)</u>	<u>-</u>	<u>(41)</u>
	103	(10)	-	93
<b>Amortizable subscription assets</b>				
General plant	17,089	577	(286)	17,380
Less accumulated amortization	<u>(4,296)</u>	<u>(4,344)</u>	<u>286</u>	<u>(8,354)</u>
	<u>12,793</u>	<u>(3,767)</u>	<u>-</u>	<u>9,026</u>
Total electric utility plant	<u>\$ 593,484</u>	<u>\$ 133,822</u>	<u>\$ (39,156)</u>	<u>\$ 688,150</u>

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Electric utility plant asset activity for the year ended Dec. 31, 2024, was as follows.

	<b>Dec. 31, 2023</b>	<b>Increases</b>	<b>Decreases</b>	<b>Dec. 31, 2024</b>
	<i>(in thousands)</i>			
<b>Nondepreciable assets</b>				
Land and land rights	\$ 19,446	\$ -	\$ -	\$ 19,446
Construction work in progress	31,857	78,284	(27,109)	83,032
	51,303	78,284	(27,109)	102,478
<b>Depreciable assets</b>				
Production plant	978,019	13,437	(4,921)	986,535
Transmission plant	401,085	2,014	(187)	402,912
General plant	98,278	2,303	(995)	99,586
	1,477,382	17,754	(6,103)	1,489,033
Less accumulated depreciation	(974,140)	(41,376)	4,593	(1,010,923)
	503,242	(23,622)	(1,510)	478,110
<b>Amortizable lease assets</b>				
General plant	134	-	-	134
Less accumulated amortization	(22)	(9)	-	(31)
	112	(9)	-	103
<b>Amortizable subscription assets</b>				
General plant	4,568	12,521	-	17,089
Less accumulated amortization	(1,831)	(2,465)	-	(4,296)
	2,737	10,056	-	12,793
Total electric utility plant	<u>\$ 557,394</u>	<u>\$ 64,709</u>	<u>\$ (28,619)</u>	<u>\$ 593,484</u>

Platte River uses the specific identification method. Under the specific identification method, gains and losses are recognized immediately on the retirement of capital assets. Alternative accounting treatment under a GASB 62 board-approved change in depreciation method accounting policy (note 6) recognizes the effects of the rate-making process allowing deferred gains and losses on retirements of capital assets to be recognized in a single year or deferred to future periods.

### **Leasing and subscription activity**

Amortizable lease assets represent fiber optic strands from a third party; the contract terminates in 2033. Platte River made no variable payments, and there are no lease impairments as of Dec. 31, 2025 and 2024. In determining the value of the lease assets, there are no payments attributable to residual value guarantees or termination penalties. Liabilities relating to lease assets are discussed in note 12.

Amortizable subscription assets represent various software solutions from multiple third parties with contracts that terminate or are expected to terminate, or transition to ongoing cancellable short-term arrangements, between 2025 and 2029. There were no subscription impairments as of Dec. 31, 2025 and 2024. Platte River paid \$331,000 and \$544,000 during 2025 and 2024,

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respectively, to vendors before the commencement of subscription terms. Those payments were recorded as construction work in progress until the commencement of the subscription term, when they are then included in the valuation of the amortizable subscription asset.

Liabilities relating to subscription assets are discussed in note 12.

Platte River also leases unused fiber optic strands and co-locate property, included in electric utility plant, to third parties. Lease terms range from 3 to 36 years. Lessor-related balances and activity as of and for the years ended Dec. 31, 2025, and 2024, are shown in the table below.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Current lease receivable	<b>\$ 1,423</b>	\$ 120
Noncurrent lease receivable	<b>1,696</b>	464
Total lease receivable	<b>\$ 3,119</b>	\$ 584
Lease deferrals	<b>\$ 3,043</b>	\$ 584
Recognized inflows of resources	<b>\$ 425</b>	\$ 120

Lease receivables are reported in prepayments and other assets for the current portion and other long-term assets for the long-term portion within the statements of net position.

Recognized inflows of resources are reported as other income on the statements of revenues, expenses and changes in net position. Platte River received \$16,000 of variable lease payments in both 2025 and 2024.

## 5. Cash and investments

Platte River invests funds consistent with Colorado law and Platte River’s General Power Bond Resolution, fiscal resolution and investment policy statement. Accordingly, Platte River may invest only in obligations of the United States government and its agencies and other investments permitted under Colorado law. Platte River records its investments at their estimated fair market values. The unrealized holding gains and losses on these investments are included in net increase (decrease) in fair value of investments in the statements of revenues, expenses and changes in net position.

The fair value of investments is presented on the statements of net position as special funds and investments, cash and cash equivalents and other temporary investments. Special funds and investments are either internally dedicated by board resolution (dedicated funds and investments) or restricted by Platte River’s General Power Bond Resolution (restricted funds and investments). The fair value of investments, excluding accrued interest of \$1,933,000 and \$1,981,000 as of Dec. 31, 2025 and 2024, respectively, is shown in the following tables.

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As of Dec. 31, 2025, Platte River had the following cash and investments and related maturities.

<b>Cash and investment type</b>	<b>Fair value</b>	<b>Investment maturities (in years)</b>		
		<b>Less than 1</b>	<b>1-2</b>	<b>2-3</b>
	<i>(in thousands)</i>			
U.S. Treasuries	\$ 117,594	\$ 52,316	\$ 39,271	\$ 26,007
U.S. agencies				
FFCB	21,790	16,783	5,007	-
FHLB	14,071	3,014	6,642	4,415
FNMA	3,986	-	-	3,986
Total securities	157,441	72,113	50,920	34,408
Cash and money market funds	2,680	2,680	-	-
Local government investment pools	65,479	65,479	-	-
Total cash and investments	<u>\$ 225,600</u>	<u>\$ 140,272</u>	<u>\$ 50,920</u>	<u>\$ 34,408</u>

Statement of net position presentation of cash, cash equivalents and investments as of Dec. 31, 2025, is as follows.

	<b>Fair value</b>	<b>Accrued interest</b>	<b>Total</b>
	<i>(in thousands)</i>		
Restricted funds and investments	\$ 18,163	\$ 126	\$ 18,289
Dedicated funds and investments	122,571	1,105	123,676
Cash and cash equivalents	32,597	8	32,605
Other temporary investments	52,269	694	52,963
Total cash and investments	<u>\$ 225,600</u>	<u>\$ 1,933</u>	<u>\$ 227,533</u>

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As of Dec. 31, 2024, Platte River had the following cash and investments and related maturities.

<b>Cash and investment type</b>	<b>Fair value</b>	<b>Investment maturities (in years)</b>		
		<b>Less than 1</b>	<b>1-2</b>	<b>2-3</b>
		<i>(in thousands)</i>		
U.S. Treasuries	\$ 152,139	\$ 64,479	\$ 52,234	\$ 35,426
U.S. agencies				
FFCB	18,682	-	16,710	1,972
FHLB	15,606	5,984	3,018	6,604
Total securities	186,427	70,463	71,962	44,002
Cash and money market funds	4,686	4,686	-	-
Local government investment pools	99,321	99,321	-	-
Total cash and investments	<u>\$ 290,434</u>	<u>\$ 174,470</u>	<u>\$ 71,962</u>	<u>\$ 44,002</u>

Statement of net position presentation of cash, cash equivalents and investments as of Dec. 31, 2024, is as follows.

	<b>Fair value</b>	<b>Accrued interest</b>	<b>Total</b>
	<i>(in thousands)</i>		
Restricted funds and investments	\$ 20,672	\$ 166	\$ 20,838
Dedicated funds and investments	159,112	1,188	160,300
Cash and cash equivalents	58,566	2	58,568
Other temporary investments	52,084	625	52,709
Total cash and investments	<u>\$ 290,434</u>	<u>\$ 1,981</u>	<u>\$ 292,415</u>

Fair value is the amount received if an asset is sold or paid to transfer a liability in a transaction between market participants at the measurement date. Fair value measurements maximize the use of observable inputs and minimize the use of unobservable inputs. Platte River and the defined benefit pension plan categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are prices determined using observable inputs other than Level 1 prices such as quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets; Level 3 inputs are significant unobservable inputs. Platte River, excluding the defined benefit pension plan, had the following recurring fair value measurements as of Dec. 31, 2025.

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- U.S. Treasury securities of \$117,594,000 are valued using quoted market prices (Level 1 inputs)
- U.S. agency securities of \$39,847,000 are valued using Level 2 inputs

Platte River, excluding the defined benefit pension plan, had the following recurring fair value measurements as of Dec. 31, 2024.

- U.S. Treasury securities of \$152,139,000 are valued using quoted market prices (Level 1 inputs)
- U.S. agency securities of \$34,288,000 are valued using Level 2 inputs

Platte River, excluding the defined benefit pension plan, uses two local government investment pools for investment. The two pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Statewide Investment Program (CSIP). COLOTRUST is a local government investment pool with a stable net asset value. CSIP is a local government investment pool in which the underlying investments are measured at the investments' net asset value. The State of Colorado Securities Commissioner administers and enforces all Colorado statutes governing these pools. They operate similarly to a money market fund and each share equals \$1, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency and competitive yields through investment in a diversified portfolio of short-term marketable securities. They may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and highly rated commercial paper. A designated custodial bank serves as a custodian for the portfolios under a custodian agreement. The custodian acts as a safekeeping agent for the investment portfolios and provides services as the depository for direct investments and withdrawals. The custodian's internal records segregate investments owned by the investment pools. The investment pools do not have any limitations or restrictions on participant withdrawals.

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As of Dec. 31, 2025, the defined benefit pension plan had the following investments and maturities.

Cash and investment type	Fair value	Investment maturities (in years)			
		Less than 1 or undefined	1-5	6-10	More than 10
			<i>(in thousands)</i>		
Cash equivalents	\$ 1,827	\$ 1,827	\$ -	\$ -	\$ -
Fixed income	35,698	2,896	12,309	12,064	8,429
Domestic equity	25,376	25,376	-	-	-
World equity	27,524	27,524	-	-	-
International equity	19,141	19,141	-	-	-
Infrastructure equities	9,421	9,421	-	-	-
Real estate equities	9,415	9,415	-	-	-
Private credit	3,749	3,749	-	-	-
Private equity	4,711	4,711	-	-	-
Total cash and investments	<u>\$ 136,862</u>	<u>\$ 104,060</u>	<u>\$ 12,309</u>	<u>\$ 12,064</u>	<u>\$ 8,429</u>

As of Dec. 31, 2024, the defined benefit pension plan had the following investments and maturities.

Cash and investment type	Fair value	Investment maturities (in years)			
		Less than 1 or undefined	1-5	6-10	More than 10
			<i>(in thousands)</i>		
Cash equivalents	\$ 1,721	\$ 1,721	\$ -	\$ -	\$ -
Fixed income	27,622	2,582	11,464	2,069	11,507
Domestic equity	48,418	48,418	-	-	-
International equity	26,063	26,063	-	-	-
Infrastructure equities	3,936	3,936	-	-	-
Natural resources equities	1,727	1,727	-	-	-
Real estate equities	4,052	4,052	-	-	-
Private credit	3,951	3,951	-	-	-
Private equity	2,829	2,829	-	-	-
Total cash and investments	<u>\$ 120,319</u>	<u>\$ 95,279</u>	<u>\$ 11,464</u>	<u>\$ 2,069</u>	<u>\$ 11,507</u>

At Dec. 31, 2025 and 2024, the defined benefit plan also had investment income receivable of \$6,000 and \$31,000, respectively, included in total assets.

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Each year, Platte River measures fair value and determines the level within the fair value hierarchy in which the fair value measurements fall. The following table presents the fair value measurements of the defined benefit pension plan's assets recognized in the accompanying financial statements at Dec. 31, 2025 and 2024.

<b>Dec. 31, 2025</b>	<b>Fair value</b>	<b>Quoted prices in active markets for identical assets (Level 1)</b>	<b>Significant other observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>
<i>(in thousands)</i>				
<b>Investments by fair value level</b>				
Cash equivalents	\$ 1,827	\$ -	\$ 1,827	\$ -
Fixed income	35,698	-	35,698	-
Domestic equity	25,376	-	25,376	-
World equity	27,524	-	27,524	-
International equity	19,141	-	19,141	-
Infrastructure	9,421	-	9,421	-
Real estate funds	9,415	-	9,415	-
Private credit <sup>(1)</sup>	3,749	-	-	3,749
Private equity <sup>(1)</sup>	4,711	-	-	4,711
Total investments by fair value level	<u>\$ 136,862</u>	<u>\$ -</u>	<u>\$ 128,402</u>	<u>\$ 8,460</u>

<sup>(1)</sup> Fair value as of Sept. 30, 2025.

<b>Dec. 31, 2024</b>	<b>Fair value</b>	<b>Quoted prices in active markets for identical assets (Level 1)</b>	<b>Significant other observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>
<i>(in thousands)</i>				
<b>Investments by fair value level</b>				
Cash equivalents	\$ 1,721	\$ -	\$ 1,721	\$ -
Fixed income	27,622	16,415	11,207	-
Domestic equity	48,418	39,226	9,192	-
International equity	26,063	-	26,063	-
Infrastructure	1,727	1,727	-	-
Natural resources	3,936	3,936	-	-
Real estate funds	4,052	4,052	-	-
Private credit <sup>(1)</sup>	3,951	-	-	3,951
Private equity <sup>(1)</sup>	2,829	-	-	2,829
Total investments by fair value level	<u>\$ 120,319</u>	<u>\$ 65,356</u>	<u>\$ 48,183</u>	<u>\$ 6,780</u>

<sup>(1)</sup> Fair value as of Sept. 30, 2024.

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For the defined benefit pension plan, where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters. These include, but are not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows, all of which are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

**Asset allocation**

All assets of the defined benefit pension plan are invested to comply with the defined benefit pension plan document (plan document), the defined benefit pension plan investment policy statement and any federal, state or Internal Revenue Service (IRS) laws or regulations. The defined benefit pension plan’s investments are governed by the Colorado Uniform Prudent Investor Act. The investment policy statement provides an asset allocation strategy to create a broadly diversified portfolio. The strategy is designed to reflect and be consistent with the objectives expressed in the investment policy statement, subject to the risk tolerance of the retirement committee.

Defined benefit pension plan assets are held by Principal Trust Company under a trust agreement and invested in money market funds, bonds, stock portfolios, infrastructure, natural resources, private equity, private credit or real estate primarily implemented through a series of collective investment trusts (CIT) and limited liability company funds managed by Russell Investments, the retirement committee’s investment manager. Russell Investments has full discretionary investment authority to invest in a specific asset class, subject to the policies and guidelines of the investment policy statement established by the retirement committee.

The investment mix and percentage allocations were as follows at Dec. 31.

<b>Asset class</b>	<b>2025</b>	<b>2024</b>
World equities	20%	0%
Core fixed income	20%	6%
Domestic equities	19%	40%
International equities	10%	14%
Infrastructure	7%	3%
Global real estate	7%	3%
High yield	6%	9%
Emerging market equities	4%	8%
Private credit	3%	3%
Private equity	3%	2%
Cash equivalents	1%	2%
Inflation protection	0%	1%
Long duration fixed income	0%	7%
Natural resources	0%	2%

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**Rate of return**

For the years ended Dec. 31, 2025 and 2024, the money-weighted rate of return on defined benefit pension plan investments, net of investment expense, was 15.6% and 9.6%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Interest rate risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

To limit exposure to fair value losses from rising interest rates, Platte River's investment policy and Colorado law limit the investment portfolio, excluding the defined benefit pension plan, to maturities of five years or less. Platte River uses a laddered approach to investing funds based on projected cash flows. The assumed maturity date for callable securities is based on market conditions as of Dec. 31, 2025. If the price of the security is at or above its call price, the security is assumed to be redeemed on its next call date.

The defined benefit pension plan's fixed income assets are invested in a core fixed income CIT and a high-yield fixed income institutional commingled fund. The funds are managed by Russell Investments. As interest rates decline, the value of a fixed-income bond fund is likely to increase. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Given the long-term nature of the defined benefit pension plan, the investment policy statement does not place maturity restrictions on its bond funds.

**Credit risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Platte River's investment policy allows investments in local government investment pools and money market funds. As of Dec. 31, 2025, Platte River, excluding the defined benefit pension plan, maintained investments in funds managed by the local government investment pools COLOTRUST and CSIP. COLOTRUST and CSIP Liquid Portfolios are both rated AAAM by S&P Global Ratings (S&P). CSIP Liquid Portfolio is also rated AAAMmf by FitchRatings. Platte River's investments in the Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA) and the Federal Home Loan Bank (FHLB) were rated Aa1 by Moody's Investors Service and AA+ by S&P. FNMA and FFCB are also rated AA+ by FitchRatings.

The defined benefit pension plan's core fixed income fund invests up to 90% of its net assets in U.S. dollar-denominated investment-grade fixed income securities. As of Dec. 31, 2025, 62% of the defined benefit pension plan's core fixed income fund was invested in investment-grade corporate and securitized credit and 27% was invested in treasury fixed income securities. The defined benefit pension plan's high yield allocation invests over 80% of its assets in below investment-grade corporate bonds (not in default) as rated by at least one nationally recognized

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statistical rating organization. As of Dec. 31, 2025, the defined benefit pension plan’s average credit quality for its core fixed-income and high-yield allocations were A and BB, respectively.

**Private credit and private equity risk**

The private credit and private equity investments in the defined benefit pension plan are subject to various risk factors resulting from the investment activities of the fund managers and the unique structures of the investments, including market, liquidity and capital risk. Private credit and private equity are diversified, multi-manager private lending investments and subject to market risk. Additionally, the funds report a market value on a quarterly basis – a less frequent measurement that can make using traditional methods to monitor and measure market risk more difficult. As a result of this reporting frequency, the fair value measurements reflected in the financial statements are as of Sept. 30, 2025 and 2024, respectively. The investments are subject to illiquidity risk. The funds’ multi-manager structures are designed to help mitigate individual manager or company risk. Other risks include quality of the fund managers, interest rate risk and currency risk.

Investments in private credit and private equity as of Dec. 31, 2025 and 2024, consisted of the following.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
50 SoCapital sponsor backed credit fund II (SBCFII)	<b>\$ 3,749</b>	\$ 3,951
50 SoCapital private equity core fund X	<b>4,711</b>	2,829

**Concentration of credit risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of investments in a single issuer.

Platte River’s investment policy, excluding the defined benefit pension plan, requires assets held in Platte River’s funds be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of Dec. 31, 2025, more than 5% of Platte River’s investments were concentrated in FFCB and FHLB. These investments were 9.7% and 6.2% of Platte River’s total investments, respectively (including investments held in local government investment pools).

**Custodial credit risk**

Custodial credit risk is the risk that, if the counterparty fails, the defined benefit pension plan will not be able to recover the value of its investments or collateral securities held by that counterparty. The defined benefit pension plan’s assets are held in trust and the custodial relationship is defined in the plan document. At Dec. 31, 2025 and 2024, the defined benefit pension plan did not identify any investments subject to custodial credit risk.

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**Foreign currency risk**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit.

The defined benefit pension plan has exposure to foreign currency risk through its international equity, emerging markets, world equity, global infrastructure, global real estate, core bond fund and high yield fixed income allocations. These strategies are all institutional commingled fund vehicles managed by Russell Investments. For the defined benefit pension plan's international and emerging markets equity allocations, the portfolio invests primarily in foreign denominated securities and typically do not hedge currency risk. The remaining allocations invest primarily in domestic and foreign-denominated securities while also not typically hedging currency risk. As of Dec. 31, 2025, foreign non-dollar allocations for the world equity allocation were 31.5%, foreign non-dollar allocations for the global infrastructure allocation were 53.4%, foreign non-dollar allocations for the global real estate allocation were 36.1% and foreign non-dollar allocations for the high-yield fixed income allocation were 0.3%. The defined benefit pension plan's investments in international and emerging markets equity strategies, as of Dec. 31, 2025 and 2024, were \$19.1 million and \$26.1 million, respectively.

The defined benefit pension plan's exposure to foreign currency risk in U.S. dollars as of Dec. 31, 2025, is shown in the following table.

Currency	Total	International equities	Fixed income	Real estate	Infra-structure
	<i>(in thousands)</i>				
Argentine peso	\$ 3	\$ 3	\$ -	\$ -	\$ -
Australian dollar	2,645	1,260	84	563	738
Brazilian real	730	569	96	-	65
British pound sterling	3,649	3,091	(146)	367	337
Canadian dollar	1,197	474	82	118	523
Chilean peso	48	13	35	-	-
Chinese yuan renminbi	1,621	1,481	(84)	8	216
Colombian peso	(26)	10	(36)	-	-
Czech koruna	1	-	1	-	-
Danish krone	424	351	-	-	73
Egyptian pound	9	9	-	-	-
European euro	9,840	7,281	120	644	1,795
Ghanaian cedi	1	1	-	-	-
Hong Kong dollar	1,102	751	(1)	288	64
Hungarian forint	23	23	-	-	-
Icelandic krona	90	5	85	-	-
Indian rupee	730	641	83	-	6
Indonesian rupiah	84	84	-	-	-
Israeli new shekel	274	274	-	-	-
Japanese yen	6,121	5,139	(77)	889	170
Kazakhstani tenge	59	40	19	-	-
Kenyan shilling	13	13	-	-	-
Kuwaiti dinar	1	1	-	-	-
Malaysian ringgit	27	3	-	-	24

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Currency	Total	International equities	Fixed income	Real estate	Infra- structure
<i>(continued)</i>			<i>(in thousands)</i>		
Mexican peso	752	78	-	-	674
Moroccan dirham	5	5	-	-	-
New Zealand dollar	338	51	179	-	108
Nigerian naira	5	5	-	-	-
Norwegian krone	167	(27)	194	-	-
Pakistani rupee	9	9	-	-	-
Peruvian sol	(24)	28	(52)	-	-
Philippine peso	57	17	-	-	40
Polish zloty	34	34	-	-	-
Qatari riyal	(4)	(4)	-	-	-
Romanian leu	7	7	-	-	-
Russian ruble	20	15	5	-	-
Saudi riyal	51	50	-	-	1
Singapore dollar	724	403	2	296	23
South African rand	213	211	1	-	1
South Korean won	1,080	1,039	36	-	5
Sri Lankan rupee	3	3	-	-	-
Swedish krona	634	601	(124)	156	1
Swiss franc	1,192	1,339	(432)	125	160
Taiwanese new Taiwan dollar	1,550	1,542	-	-	8
Thai baht	168	168	-	-	-
Turkish lira	32	32	-	-	-
UAE dirham	52	51	-	-	1
Ukrainian hryvnia	3	3	-	-	-
Vietnamese dong	71	71	-	-	-
	\$ 35,805	\$ 27,248	\$ 70	\$ 3,454	\$ 5,033

The defined benefit pension plan's exposure to foreign currency risk in U.S. dollars as of Dec. 31, 2024, is shown in the following table.

Currency	Total	International equities	Fixed income
		<i>(in thousands)</i>	
Argentine peso	\$ 102	\$ 102	-
Australian dollar	794	706	88
Brazilian real	713	713	-
Canadian dollar	1,970	1,452	518
Cayman Islands dollar	4	-	4
Chilean peso	47	17	30
Chinese yuan renminbi	2,277	2,277	-
Danish krone	323	323	-
European euro	7,784	7,512	272
Hong Kong dollar	541	532	9
Hungarian forint	97	97	-
Indian rupee	1,404	1,404	-
Indonesian rupiah	153	153	-

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Currency	Total	International equities	Fixed income
<i>(continued)</i>		<i>(in thousands)</i>	
Israeli new shekel	246	218	28
Japanese yen	4,155	4,094	61
Kazakhstani tenge	36	36	-
Korean won	209	209	-
Macau pataca	38	-	38
Malaysian ringgit	88	88	-
Mexican peso	175	148	27
New Zealand dollar	96	96	-
Norwegian krone	82	82	-
Pakistani rupee	10	10	-
Panama balboa	5	-	5
Peruvian sol	103	103	-
Philippine peso	96	96	-
Polish zloty	13	13	-
Pound sterling	3,984	3,887	97
Qatari riyal	10	10	-
Romania new leu	11	11	-
Saudi riyal	199	199	-
Singapore dollar	516	516	-
South African rand	175	175	-
South Korean won	687	687	-
Swedish krona	228	228	-
Swiss franc	1,131	1,119	12
Taiwan dollar	1,557	1,557	-
Thai baht	257	257	-
Turkish new lira	72	47	25
UAE dirham	164	160	4
Vietnamese dong	60	60	-
Zambian kwacha	6	6	-
	<u>\$ 30,618</u>	<u>\$ 29,400</u>	<u>\$ 1,218</u>

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## **6. Regulatory assets and deferred inflows of resources related to regulatory credits**

For rate-making purposes, Platte River's board has approved the following policies under GASB 62, paragraphs 476-500.

### **Additional pension funding expense recognition**

Platte River funds its defined benefit pension plan (note 8) based on cost estimates developed on an actuarial basis. In addition to the base contribution, Platte River has an additional funding charge if the market value of the assets is less than 100% of the actuarial present value of accumulated plan benefits. A board-approved policy allows Platte River to record the additional pension funding charge as a regulatory asset and recognize the expense over a 10-year period.

### **Pension contribution expense recognition**

This board-approved policy requires pension contributions for the defined benefit pension plan to be recorded as pension expense because the pension contribution amount is known at the time of budget preparation and rate setting. Any difference between pension contribution and pension expense, as calculated by the actuary under GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, is classified as either a regulatory asset or a deferred inflow of resources and amortized over a 10-year period beginning the following year. The amortization amount is included in pension expense along with the pension contribution for each year calculated.

### **Debt issuance expense recognition**

Under GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, debt issuance costs must be expensed in the period incurred rather than amortized over the life of the related debt. To provide recovery for debt issuance costs through rates, this board-approved policy provides for the expense recognition of debt issuance costs to be amortized over the life of the associated debt and included in regulatory assets.

### **Windy Gap Firing Project**

This board-approved policy allows Platte River's costs for the Windy Gap Firing Project (Chimney Hollow Reservoir) (note 11) to be recorded as a regulatory asset and other long-term obligations. These costs are recognized ratably over the term of the pooled financing, as further described in note 11, with the unamortized component included in regulatory assets and the outstanding balance of the pooled financing included in other long-term obligations. The value of the debt service payments under the pooled financing is expensed as an operations and maintenance expense and not accounted for as debt service.

### **Maintenance outage expense accrual**

Under this board-approved policy, Platte River accrues estimated incremental expenses of future scheduled major maintenance outages each year. After a Rawhide Unit 1 maintenance outage is completed, the estimated maintenance and replacement power costs for the next

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major maintenance outage are accrued as a deferred inflow of resources. The final Rawhide Unit 1 scheduled major maintenance outage occurred in 2025.

**Change in depreciation method**

Platte River changed depreciation method from the group method to the specific identification method during 2020. Under the specific identification method, gains and losses would be recognized immediately on the retirement of capital assets. Alternative accounting treatment under this board-approved policy recognizes the effects of the rate-making process whereby deferred gains and losses on retirements of capital assets may be recognized in a single year or deferred to future periods.

**Craig units 1 and 2 decommissioning accrual**

The owners of the Craig Generating Station, acting through Tri-State Generation and Transmission Association, Inc. (Tri-State) as operating agent, have announced retirement of both Craig units 1 and 2. Craig Unit 1 was scheduled to retire by Dec. 31, 2025, but, on Dec. 30, 2025, Platte River and the other owners received an emergency order from the DOE requiring them to keep Craig Unit 1 available to operate for 90 days. On March 30, 2026, Platte River and the other owners received a second emergency order from the DOE requiring them to keep Craig Unit 1 available to operate for 90 days through June 28, 2026 (note 18). Craig Unit 2 is scheduled to retire Sept. 30, 2028. Decommissioning and closure costs for both units have not been fully determined and no binding obligation exists. Under general accounting rules, without a binding obligation the expense related to decommissioning and closure would not be recognized and therefore funds would not be recovered through rates. This board-approved accounting policy records accretion of estimated decommissioning costs for Craig units 1 and 2 using the budgetary estimate provided by Tri-State. Once a binding obligation exists, Platte River will account for decommissioning costs under GASB 83.

**Deferred revenue and expense**

This board-approved accounting policy authorizes the general manager/CEO to defer revenues or expenses to reduce rate pressure and achieve rate smoothing as Platte River transitions its portfolio to meet the Resource Diversification Policy goal. Any amount of change in net position above the minimum required to achieve the Strategic Financial Plan metrics can be deducted from operating revenues and held on the statement of net position as a regulatory credit, to be recorded as revenue in one or more future periods. Alternatively, any amount of change in net position below the minimum required to achieve the Strategic Financial Plan metrics can be deducted from operating expenses and held on the statement of net position as a regulatory asset, to be recorded as expense in one or more future periods.

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Regulatory assets and deferred inflows of resources related to regulatory credits as of Dec. 31, 2025, are shown in the tables below.

	<b>Dec. 31, 2024</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2025</b>
	<i>(in thousands)</i>			
<b>Regulatory assets</b>				
Additional pension funding expense recognition	\$ 8,142	\$ 3,770	\$ (1,719)	\$ 10,193
Pension contribution expense recognition	14,301	-	(1,959)	12,342
Debt issuance expense recognition	404	-	(66)	338
Windy Gap Firing Project	109,875	2,437	(693)	111,619
Total regulatory assets	\$ 132,722	\$ 6,207	\$ (4,437)	\$ 134,492
<b>Deferred inflows of resources</b>				
Regulatory credits				
Maintenance outage expense accrual	\$ 11,670	\$ 955	\$ (12,625)	\$ -
Pension contribution expense recognition	4,410	2,270	(657)	6,023
Change in depreciation method	28,026	-	(6,735)	21,291
Craig units 1 and 2 decommissioning accrual	4,263	1,526	-	5,789
Deferred revenue and expense	79,174	46,360	-	125,534
Total regulatory credits	\$ 127,543	\$ 51,111	\$ (20,017)	\$ 158,637

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Regulatory assets and deferred inflows of resources related to regulatory credits as of Dec. 31, 2024, are shown in the tables below.

	<b>Dec. 31, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2024</b>
	<i>(in thousands)</i>			
<b>Regulatory assets</b>				
Additional pension funding expense recognition	\$ 7,592	\$ 1,892	\$ (1,342)	\$ 8,142
Pension contribution expense recognition	12,940	3,068	(1,707)	14,301
Debt issuance expense recognition	478	-	(74)	404
Windy Gap Firming Project	110,568	-	(693)	109,875
Total regulatory assets	\$ 131,578	\$ 4,960	\$ (3,816)	\$ 132,722
<b>Deferred inflows of resources</b>				
Regulatory credits				
Maintenance outage expense accrual	\$ 7,461	\$ 4,209	\$ -	\$ 11,670
Pension contribution expense recognition	5,067	-	(657)	4,410
Change in depreciation method	36,425	-	(8,399)	28,026
Craig units 1 and 2 decommissioning accrual	2,755	1,508	-	4,263
Deferred revenue and expense	52,974	26,200	-	79,174
Total regulatory credits	\$ 104,682	\$ 31,917	\$ (9,056)	\$ 127,543

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**7. Long-term debt**

Long-term debt outstanding as of Dec. 31, 2025 and 2024, consisted of the following.

	<u>Interest rate</u>	<b>Dec. 31</b>	
		<b>2025</b>	<b>2024</b>
		<i>(in thousands)</i>	
Power revenue bonds (all serial bonds)			
Series JJ maturing 6/1/2036	3.5%–5%	\$ 78,270	\$ 90,590
Taxable Series KK maturing 6/1/2037	1%-1.9%	21,410	22,490
		<b>99,680</b>	113,080
Unamortized bond premium <sup>(1)</sup>		5,728	7,527
Total revenue bonds outstanding		<b>105,408</b>	120,607
Less: due within one year		<b>(13,965)</b>	(13,400)
Total long-term debt, net		<b>\$ 91,443</b>	<b>\$ 107,207</b>

<sup>(1)</sup> Fixed rate bond premium costs are amortized over the terms of the related bond issues.

The outstanding balance of Series JJ is callable June 1, 2026. Taxable Series KK is subject to prior redemption, in whole or in part on any date, as selected by Platte River.

Interest expense for the years ended Dec. 31, 2025 and 2024, related to long-term debt outstanding is as follows. The remainder of interest expense, as shown on the statements of revenues, expenses and changes in net position, relates to lease and subscription liabilities as discussed in note 12.

	<u>2025</u>	<u>2024</u>
	<i>(in thousands)</i>	
Interest	\$ 4,023	\$ 4,642
Amortization of bond related costs	(1,174)	(1,329)
Total interest expense	<b>\$ 2,849</b>	<b>\$ 3,313</b>

Calendar year totals for monthly bond service funding requirements per bond resolution for all bonds outstanding are shown in the following table. These may differ from actual semi-annual debt service requirements.

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Year ending Dec. 31	Principal	Interest	Total
	<i>(in thousands)</i>		
Deposits in 2025 for 2026 payment	\$ 8,146	\$ 313	\$ 8,459
2026	14,312	3,449	17,761
2027	14,898	2,826	17,724
2028	15,443	2,246	17,689
2029	8,858	1,690	10,548
2030	4,093	1,352	5,445
2031-2035	28,388	4,042	32,430
2036-2037	5,542	175	5,717
	<u>\$ 99,680</u>	<u>\$ 16,093</u>	<u>\$ 115,773</u>

**Bond service coverage**

Power revenue bonds are secured by a pledge of the revenues of Platte River after deducting operating expenses, as defined in the General Power Bond Resolution. The power revenue bonds issued by Platte River may be subject to early call provisions. Principal and interest payments are met from net revenues earned from wholesale electric rates charged to the owner communities and others, and from interest earnings.

Under the General Power Bond Resolution, Platte River is required to charge wholesale electric energy rates to the owner communities that are reasonably expected to yield net revenues for the forthcoming 12-month period that are equal to at least 1.10 times total power bond service requirements. Under the General Power Bond Resolution, Platte River has established a rate stabilization reserve account. Deposits to this account are a reduction to current net revenues for purposes of computing bond service coverage. Future withdrawals will increase net revenues for purposes of computing bond service coverage and could assist Platte River, at that time, in meeting its wholesale rate covenant. The balances in the rate stabilization reserve account at Dec. 31, 2025 and 2024, were \$20,459,000 and \$20,299,000, respectively, excluding accrued interest. The rate stabilization reserve account is included in dedicated funds and investments in the statements of net position.

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The following table is a calculation of the power revenue bond coverage ratio for the years ended Dec. 31, 2025 and 2024.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
<b>Bond service coverage <sup>(1)</sup></b>		
<b>Net revenues</b>		
Operating revenues, excluding deferred regulatory revenues	\$ 321,830	\$ 297,523
Operating expenses, excluding depreciation, amortization and accretion	244,455	233,071
Net operating revenues	77,375	64,452
Plus interest and other income <sup>(2)</sup>	14,265	14,673
Net revenues before rate stabilization	91,640	79,125
<b>Rate stabilization</b>		
Deposits	-	-
Withdrawals	-	-
Total net revenues	\$ 91,640	\$ 79,125
<b>Bond service</b>		
Power revenue bonds	\$ 17,752	\$ 17,788
Bond service coverage ratio	5.16	4.45

<sup>(1)</sup> The bond service coverage calculation excludes deferred revenues and expenses accounted for under the deferred revenue and expense accounting policy. Previously stated line items have been updated to conform with the change in calculation.

<sup>(2)</sup> Excludes unrealized holding gains and losses on investments.

### Arbitrage rebate

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after Aug. 31, 1986, is subject to arbitrage rebate requirements. Interest income on bond proceeds that exceeds the cost of borrowing is payable to the federal government on every fifth anniversary of each bond issue. Platte River had no arbitrage liability outstanding as of Dec. 31, 2025 and 2024.

### Deferred outflows of resources related to debt

As of Dec. 31, 2025 and 2024, deferred outflows related to debt consisted of the unamortized deferred loss on debt refundings of \$1,026,000 and \$1,596,000, respectively.

### Deferred inflows of resources related to debt

As of Dec. 31, 2025 and 2024, deferred inflows related to debt consisted of the unamortized deferred gain on debt refundings of \$87,000 and \$100,000, respectively.

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## **8. Defined benefit pension plan**

### **Description**

The following brief description of the defined benefit pension plan is provided for general information purposes only. Participants and all others should refer to the plan document for more complete information. Platte River does not issue separate stand-alone financial statements for the defined benefit pension plan.

Effective June 1, 1973, Platte River adopted the defined benefit pension plan. The defined benefit pension plan is a defined-benefit, single-employer plan covering all regular employees of Platte River hired before Sept. 1, 2010. The defined benefit pension plan is closed to new employees hired on or after that date.

The general manager of Platte River is the defined benefit pension plan administrator. The retirement committee, composed of up to eight members (up to four staff members and four members of the board), meets quarterly and oversees the defined benefit pension plan's investments. Platte River's board is the designated governing body over the defined benefit pension plan and has the authority to amend the defined benefit pension plan as necessary. In 2020, the board appointed a defined benefit plan subcommittee. The subcommittee has the power by unanimous resolution to amend the defined benefit pension plan. Platte River pays all administrative expenses of the defined benefit pension plan.

The defined benefit pension plan has received favorable determination letters from the IRS for the original defined benefit pension plan and subsequent amendments effective through Jan. 1, 2014. Thereafter, the IRS ended review of amendments and stopped providing determination letters.

### **Benefits provided**

Retirement benefits are based on years of service rendered and the final average compensation earned by the participant as defined by the plan document. The defined benefit pension plan provides for 100% vesting after five years of service to all eligible employees.

The defined benefit pension plan provides for normal retirement at age 65. A participant may retire before age 65 after having completed 10 years of credited service and having attained at least age 55, with reduced benefits in accordance with the plan document. For a participant who began employment before Jan. 1, 2008, a special early retirement benefit is available if the participant has completed 13 years of credited service and has attained the ages of 55 through 58 or has completed 20 years of credited service and has attained the age of 55. A participant who began employment on or after Jan. 1, 2008, qualifies for special early retirement if the participant has completed 20 years of credited service and terminates employment after attaining age 55. Benefits will not be reduced if the participant elects to receive benefits on or after the seventh anniversary of the date the participant is first eligible for the special early retirement benefit. The defined benefit pension plan also provides for a deferred vested

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retirement income starting at the normal retirement date to participants who choose to leave Platte River before normal retirement age.

Participants may elect to receive their benefits by selecting one of the six forms of payment: (1) the duration of the participant's life; (2) the duration of the participant's life with a minimum of 10 years certain and any remainder paid to a beneficiary; (3) 50% joint and survivor annuity option; (4) 66-2/3% joint and survivor option with a minimum of 10 years certain and any remainder paid to a beneficiary; (5) 66-2/3% joint and survivor option without 10 years certain; or (6) an actuarially equivalent lump sum payment, when this option is available. Active employees who become totally and permanently disabled may qualify for a vested retirement income at age 65 or an early retirement income at ages 55 through 64 if they have met the requirements for these benefits when they initially became disabled. Upon the death of an active or disabled retiree, a benefit in the form of a monthly income or lump sum payment is paid to the participant's beneficiary in accordance with the plan document.

Benefits paid by the defined benefit pension plan are adjusted annually by the change in the consumer price index, subject to a maximum increase of 6% for employees who retired before Dec. 6, 1991. Employees who retired on or after Dec. 6, 1991, receive two-thirds of the change in the consumer price index, up to a maximum of 4%.

**Membership**

At Dec. 31, participants in the defined benefit pension plan are as follows.

	<b>2025</b>	<b>2024</b>
Retirees and beneficiaries currently receiving benefits	<b>206</b>	194
Terminated vested employees not yet receiving benefits	<b>34</b>	42
Active plan participants	<b>57</b>	65
Total participants	<b>297</b>	301

**Contributions**

All contributions to the defined benefit pension plan are authorized by the board and made by Platte River. Employees cannot contribute to the defined benefit pension plan. The defined benefit pension plan's funding policy is intended to fund current service costs as they accrue, plus an additional funding charge if the market value of the assets is less than 100% of the actuarial present value of accumulated plan benefits.

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Platte River's contributions to the defined benefit pension plan, equaling or exceeding the actuarially determined requirements for the years ended Dec. 31, 2025 and 2024, are as follows.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Base contribution	<b>\$ 4,237</b>	\$ 4,180
Additional funding	<b>3,771</b>	1,893
Total contributions	<b>\$ 8,008</b>	\$ 6,073

**Expenses**

Investment manager fees are deducted from investment earnings by the investment management firms.

Additionally, Platte River pays the administrative expenses of the defined benefit pension plan, including actuarial fees, investment consulting fees, trustee fees, auditing expenses and legal fees.

**Net pension liability**

The net pension liability was measured and determined by actuarial valuations as of Dec. 31, 2025 and 2024, respectively. The components of the net pension liability were as follows.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Total pension liability	<b>\$ 150,953</b>	\$ 147,635
Plan fiduciary net position	<b>136,868</b>	120,350
Platte River's net pension liability	<b>\$ 14,085</b>	\$ 27,285
Plan fiduciary net position as a percentage of the total pension liability	<b>90.67%</b>	81.52%

**Actuarial assumptions**

Total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Salary increases, next calendar period, all ages	<b>4%</b>
Salary increases, all future periods, age <51	<b>4%</b>
Salary increases, all future periods, age 51-65	<b>3%</b>
Salary increases, all future periods, age 66+	<b>2%</b>
Investment rate of return	<b>7.5%</b>
Cost of living	<b>1.5%</b>

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Mortality rates for the years ended Dec. 31, 2025 and 2024, were based on the Pri-2012 employee, healthy retiree and contingent survivor mortality tables for males and females, projected generationally with the MP-2020 projection scales for males and females.

The actuarial assumption for the long-term expected rate of return on defined benefit pension plan investments is established in the investment policy statement approved by the retirement committee. Platte River establishes a rate using best-estimate ranges of expected future rates of return net of investment expense for each major asset class. The estimates for each major asset class that are included in the defined benefit pension plan's target asset allocation as of Dec. 31, 2025 and 2024, are summarized in the following table.

Asset class	Target allocation		Long-term expected rate of return	
	Dec. 31, 2025	Dec. 31, 2024	2025	2024
Core fixed income	20%	10%	4.9%	4.3%
Domestic equities	19%	34%	9.3%	7.0%
World equities	17%	0%	9.1%	8.4%
International equities	10%	16%	8.5%	6.9%
Infrastructure	7%	3%	7.3%	6.6%
Global real estate	7%	3%	9.7%	7.6%
High yield	6%	7%	6.2%	6.0%
Private equity	6%	6%	12.3%	8.3%
Emerging market equities	4%	6%	9.8%	6.9%
Private credit	4%	4%	8.8%	6.2%
Long duration fixed income	0%	7%	4.9%	4.9%
Natural resources	0%	3%	7.6%	7.6%
Cash equivalents	0%	1%	N/A	N/A

**Discount rate**

The discount rate used to measure total pension liability was 7.5% for the years ended Dec. 31, 2025 and 2024. Projections of cash flows assumed: (a) employer contributions are made throughout the year and, on average, at midyear and (b) all decrement events are assumed to occur in the middle of the year. Based on these assumptions, the defined benefit pension plan's fiduciary net position was projected to meet all projected future benefit payments of current defined benefit pension plan participants. The long-term expected rate of return on defined benefit pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

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**Changes in net pension liability**

Changes in net pension liability for the year ended Dec. 31, 2025, were as follows.

	<b>Total pension liability (a)</b>	<b>Plan fiduciary net position (b)</b>	<b>Net pension liability (a) – (b)</b>
	<i>(in thousands)</i>		
<b>Balances at Dec. 31, 2024</b>	\$ 147,635	\$ 120,350	\$ 27,285
Changes for the year			
Service cost	1,026	-	1,026
Interest	10,769	-	10,769
Changes of benefit terms	-	-	-
Differences between expected and actual experience	1,653	-	1,653
Employer contributions	-	8,008	(8,008)
Net investment income	-	18,640	(18,640)
Benefit payments	(10,130)	(10,130)	-
Changes of assumptions	-	-	-
Net changes	3,318	16,518	(13,200)
<b>Balances at Dec. 31, 2025</b>	<b>\$ 150,953</b>	<b>\$ 136,868</b>	<b>\$ 14,085</b>

Changes in net pension liability for the year ended Dec. 31, 2024, were as follows.

	<b>Total pension liability (a)</b>	<b>Plan fiduciary net position (b)</b>	<b>Net pension liability (a) – (b)</b>
	<i>(in thousands)</i>		
<b>Balances at Dec. 31, 2023</b>	\$ 141,193	\$ 112,919	\$ 28,274
Changes for the year			
Service cost	1,055	-	1,055
Interest	10,320	-	10,320
Changes of benefit terms	-	-	-
Differences between expected and actual experience	4,355	-	4,355
Employer contributions	-	6,073	(6,073)
Net investment income	-	10,646	(10,646)
Benefit payments	(9,288)	(9,288)	-
Changes of assumptions	-	-	-
Net changes	6,442	7,431	(989)
<b>Balances at Dec. 31, 2024</b>	<b>\$ 147,635</b>	<b>\$ 120,350</b>	<b>\$ 27,285</b>

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### Sensitivity of the net pension liability to changes in the discount rate

Net pension liability at Dec. 31, 2025, calculated using the current discount rate, as well as using a discount rate 1% lower or 1% higher than the current rate, is as follows.

	<u>Discount rate</u>	<u>Net pension liability</u> <u>2025</u>
		<i>(in thousands)</i>
1% decrease	6.5%	\$ 28,835
Current discount rate	7.5%	14,085
1% increase	8.5%	1,430

### Termination

Platte River reserves the right to discontinue its contributions at any time and to terminate the defined benefit pension plan, although it has not expressed any intention to do so. Discontinuing contributions does not constitute a formal termination of the defined benefit pension plan. If Platte River formally terminates the defined benefit pension plan, the net position of the defined benefit pension plan will be distributed in the following order of priority.

- a. The minimum required amount to retired or terminated participants whose retirement income payments began at least three years before the termination date.
- b. Each other active, retired or terminated participant who, at least three years before the termination date, had become eligible for benefits.

Remaining assets are allocated between participants and beneficiaries using the excess above the amount required to provide the actuarial equivalent single sum value.

Platte River is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and is not subject to the pension benefit guaranty provisions of ERISA. Benefits under the defined benefit pension plan are not insured by the Pension Benefit Guaranty Corporation.

### Pension expense

The board-approved policies under GASB 62, paragraphs 476–500, allow Platte River to recognize pension expense when recovered through rates rather than recording the amount calculated under GASB 68 (note 6).

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For the years ended Dec. 31, 2025 and 2024, Platte River recognized pension expense as follows.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Base contribution	\$ 4,237	\$ 4,180
Additional pension funding expense amortization (note 6)	1,719	1,342
Pension contribution expense recognition amortization, net (note 6)	1,302	1,050
Total pension expense	\$ 7,258	\$ 6,572

**Deferred outflows of resources and deferred inflows of resources related to the defined benefit pension plan**

At Dec. 31, 2025 and 2024, Platte River reported deferred outflows of resources and deferred inflows of resources related to the defined benefit pension plan from the following sources.

	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
<b>Dec. 31, 2025</b>	<i>(in thousands)</i>	
Differences between expected and actual experience	\$ 626	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	-	5,826
Total	\$ 626	\$ 5,826

	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
<b>Dec. 31, 2024</b>	<i>(in thousands)</i>	
Differences between expected and actual experience	\$ 1,895	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	3,835	-
Total	\$ 5,730	\$ -

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to the defined benefit pension plan as of Dec. 31, 2025, will be recognized as a component of pension expense as follows.

<u>Year ending Dec. 31</u>	
<i>(in thousands)</i>	
2026	\$ 2,009
2027	(2,872)
2028	(2,398)
2029	(1,939)
2030	-
Total	<u>\$ (5,200)</u>

## 9. Asset retirement obligations

Platte River has evaluated its contracts and current regulations associated with tangible capital assets and identified those subject to asset retirement obligation recognition under GASB Statement No. 83, *Certain Asset Retirement Obligations* and for which costs can be estimated.

Asset retirement obligation activity for the year ended Dec. 31, 2025, was as follows.

	<b>Dec. 31, 2024</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2025</b>	<b>Due within one year</b>
	<i>(in thousands)</i>				
Deferred outflows of resources	\$ 35,192	\$ 1,941	\$ (8,213)	<b>\$ 28,920</b>	\$ -
Liabilities	49,477	1,941	(1,651)	<b>49,767</b>	2,239

Asset retirement obligation activity for the year ended Dec. 31, 2024, was as follows.

	<b>Dec. 31, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2024</b>	<b>Due within one year</b>
	<i>(in thousands)</i>				
Deferred outflows of resources	\$ 26,371	\$ 14,231	\$ (5,410)	\$ 35,192	\$ -
Liabilities	35,916	14,231	(670)	49,477	3,436

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**Rawhide Energy Station decommissioning**

As part of the 1979 rezoning resolution and Rawhide Energy Station construction agreement with the Board of County Commissioners of Larimer County, the county government included reclamation or restoration requirements if Platte River abandons the Rawhide Energy Station as a location for the generation of electricity. Platte River agreed to remove all above-ground structures, excluding the cooling pond dam and power plant foundations, in accordance with reasonable specifications and procedures to be agreed upon by both parties at the time of abandonment.

In 2024, Platte River hired an independent engineering firm to estimate the asset retirement obligation under the agreement’s reclamation or restoration clause. The firm’s report estimates the cost to decommission and demolish all infrastructure to grade, except the substation and transmission line, with no concrete foundation removal. The estimate assumes a contractor will perform the necessary work. The cost estimate has not been reduced for the potential market value of reusable or scrap materials and does not consider associated recycling costs.

Platte River has recognized its asset retirement liability using the “probable cost” price estimates developed by the engineering firm. Cost estimates were provided with a +/- 30 percent high-low range from the probable cost estimate for decommissioning, demolition and environmental cost categories. The deferred outflows of resources and associated liability will be adjusted for inflation/deflation annually and reviewed for other significant changes.

The amortization period for recognition of the deferred outflow of resources is based on the estimated remaining useful life of the Rawhide Energy Station of Dec. 31, 2055.

The deferred outflows of resources and associated liability as of Dec. 31, 2025 and 2024, are shown in the table below.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Deferred outflows of resources	<b>\$ 24,558</b>	\$ 24,691
Noncurrent liability	<b>28,304</b>	27,641

**Rawhide Energy Station impoundments**

Platte River is obligated under state laws and regulations to remove wastes from impoundments at the Rawhide Energy Station and confirm that any environmental impact has been addressed before closure. The impoundments used for the generation of electric power and energy and associated purposes include nine phosphorous removal ponds, one retention pond and a fire training pond. Platte River hired an independent consultant to estimate the closure costs of the impoundments. Following state regulations, the estimate will be updated every five years. As a result, Platte River recognized an asset retirement obligation for the estimated clean closure costs of these impoundments and the amount is adjusted annually for inflation/deflation. These costs are amortized over the estimated remaining useful life of each impoundment or the

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estimated remaining useful life of the facility, whichever is shorter. In 2024, Platte River determined that the fire training pond would be decommissioned ahead of schedule to facilitate construction of future generation resources and is fully amortized as of Dec. 31, 2025. The remaining impoundments are amortized through Rawhide Unit 1's planned retirement date, which is Dec. 31, 2029. Platte River meets the financial assurances required by the state.

The deferred outflows of resources and associated liability as of Dec. 31, 2025 and 2024, are shown in the table below.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Deferred outflows of resources	<b>\$ 2,620</b>	\$ 4,781
Platte River's gross liability	<b>\$ 7,725</b>	\$ 8,807
Less: reclamation costs incurred	<b>(1,012)</b>	-
Platte River's net liability	<b>\$ 6,713</b>	\$ 8,807
Less: current liability	<b>(700)</b>	(2,936)
Noncurrent liability	<b>\$ 6,013</b>	\$ 5,871

**Craig Generating Station impoundments**

As part of the Yampa Project Amended and Restated Participation Agreement among PacifiCorp, Public Service Company of Colorado, Platte River Power Authority, Salt River Project Agricultural Improvement and Power District and Tri-State Generation and Transmission Association, Inc. (Participation Agreement), the participants must operate, maintain, replace, remove and provide all Yampa Project capital improvements in compliance with laws, executive orders and regulations applicable to the participants. The Participation Agreement continues until the last of Craig Generating Station Unit 1 or 2 is retired from service, and all salvage and required site restoration is completed and the participants have paid their respective shares of those costs. The participants have undivided ownership interests in Craig units 1 and 2 and the common facilities.

Tri-State is the operating agent under the Participation Agreement. Tri-State has given Platte River its best estimate of the current asset retirement obligation liability based on Financial Accounting Standards Board guidance, which is being accreted to a future cashflow estimate and does not currently represent the full liability. The asset retirement obligation consists of restoration and postclosure monitoring costs of five dewatering ponds, a high-quality water holding pond and an evaporation pond used for the generation of electric power and energy and associated uses. Platte River's interest in Craig units 1 and 2 represents a minority of the asset retirement obligation. Under GASB 83 guidance, Platte River's reported liability depends on the measurement produced by Tri-State. Platte River receives an annual update for its share of the asset retirement obligation from Tri-State and adjusts the liability and future amortization schedule accordingly. Each pond, representing an associated tangible capital asset of the asset retirement obligation liability, is amortized through Craig Unit 2's planned retirement date of Sept. 30, 2028.

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Platte River's share of the deferred outflows of resources and associated liability as of Dec. 31, 2025 and 2024, is shown in the table below.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Total member liability	<b>\$ 33,957</b>	\$ 32,506
Platte River's % share	<b>12%</b>	12%
Platte River's deferred outflows of resources	<b>\$ 1,742</b>	\$ 2,138
Platte River's noncurrent liability	<b>\$ 4,075</b>	\$ 3,901

**Trapper Mining Inc. reclamation and mine closure**

Trapper Mining Inc. is engaged in the business of mining, selling and delivering coal from the Trapper Mine located near Craig, Colorado, to its members under an agreement with the Craig Generating Station, located adjacent to the Trapper Mine. Trapper Mining Inc. follows Financial Accounting Standard Board guidance and has recorded an asset retirement obligation related to the final reclamation and mine closure based on detailed engineering calculations of the amount and timing of future cash spending for a third party to perform the required work. Under the Final Reclamation Agreement with its members, Trapper Mining Inc. (as contractor) and Salt River Project Agricultural Improvement and Power District, Tri-State, PacifiCorp, Platte River, and Public Service Company of Colorado (as payors) assume responsibility for the asset retirement obligation. The acres of mine to be reclaimed and associated costs are reviewed annually, and the costs are allocated to members based on cumulative tons of coal delivered. Tri-State and Public Service Company of Colorado are no longer members and have settled their asset retirement obligations. The deferred outflows of resources were fully recognized in 2025 through the expiration of the coal contract at Dec. 31, 2025. However, in December 2025, the coal contract was amended to expire Sept. 30, 2028. Any additional reclamation costs will be recognized over the amended term of the contract. In 2021, Trapper Mining Inc. began invoicing for reclamation costs incurred, which Platte River pays and charges against the liability.

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Platte River's share of the deferred outflows of resources and associated liability as of Dec. 31, 2025 and 2024, is shown in the table below.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Total member liability	<b>\$ 42,710</b>	\$ 36,726
Platte River's % share	<b>26.49%</b>	26.68%
Platte River's deferred outflows of resources	<b>\$ -</b>	\$ 3,582
Platte River's gross liability	<b>\$ 11,314</b>	\$ 9,798
Less: reclamation costs incurred	<b>(639)</b>	(670)
Platte River's net liability	<b>\$ 10,675</b>	\$ 9,128
Less: current liability	<b>(1,539)</b>	(500)
Noncurrent liability	<b>\$ 9,136</b>	\$ 8,628

**Easement agreements**

Platte River is a party to numerous easement agreements related to transmission lines and pipelines. These assets are determined to complete a single system, have a perpetual life and are not expected to be retired. Platte River intends to replace sections of its transmission lines, if necessary, and not retire the entire system. Therefore, an asset retirement obligation related to these easements cannot be reasonably estimated.

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**10. Noncurrent liabilities**

Noncurrent liability activity for the year ended Dec. 31, 2025, was as follows.

	<b>Dec. 31, 2024</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2025</b>	<b>Due within one year</b>
	<i>(in thousands)</i>				
Long-term debt, net	\$ 120,607	\$ -	\$ (15,199)	<b>\$ 105,408</b>	\$ 13,965
Other liabilities and credits					
Compensated absences	10,397	6,919	(5,943)	<b>11,373</b>	2,380
Fiber lease advances	302	-	(47)	<b>255</b>	46
Yampa employee obligation	286	2	-	<b>288</b>	-
Disposal facility closure costs	3,062	1,034	-	<b>4,096</b>	-
Deposits	2,175	-	(2,175)	-	-
Total other liabilities and credits	16,222	7,955	(8,165)	<b>16,012</b>	2,426
<b>Total noncurrent liabilities</b>	<b>\$ 136,829</b>	<b>\$ 7,955</b>	<b>\$ (23,364)</b>	<b>\$ 121,420</b>	<b>\$ 16,391</b>

Noncurrent liability activity for the year ended Dec. 31, 2024, was as follows.

	<b>Dec. 31, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2024</b>	<b>Due within one year</b>
	<i>(in thousands)</i>				
Long-term debt, net	\$ 135,471	\$ -	\$ (14,864)	\$ 120,607	\$ 13,400
Other liabilities and credits					
Compensated absences	8,960	6,945	(5,508)	10,397	2,104
Fiber lease advances	347	-	(45)	302	46
Yampa employee obligation	288	-	(2)	286	-
Disposal facility closure costs	2,050	1,012	-	3,062	-
Deposits	2,175	-	-	2,175	-
Total other liabilities and credits	13,820	7,957	(5,555)	16,222	2,150
<b>Total noncurrent liabilities</b>	<b>\$ 149,291</b>	<b>\$ 7,957</b>	<b>\$ (20,419)</b>	<b>\$ 136,829</b>	<b>\$ 15,550</b>

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As discussed in note 3, Platte River has an ash disposal facility, comprising three cells (C1, 2A and 2B), at Rawhide Energy Station and accrues a liability to report a portion of state-regulated closure and postclosure costs, by cell, as an operating expense in each period based on landfill capacity used as of each statement of net position date. For this purpose, Cells 1 and 2A are considered at capacity and is no longer accepting waste. They also have similar remaining closure and postclosure requirements. Cell 2B's potential capacity exceeds the projected capacity to be used before closure, therefore Platte River considers the greater of actual capacity used or a straight-line percentage through expected closure as the capacity used for determining the liability.

Current regulations require Platte River to place a final cover on Cell 2B as part of closure and postclosure monitoring for 30 years on all cells following the closure process. Closure and postclosure cost estimates are allocated to the cells as determined by management, based on the closure and postclosure activities required by each cell. These cost estimates are based on costs to perform all closure and postclosure compliance in each year presented. Platte River expects to begin closing the ash disposal facility no earlier than 2030. Actual costs will vary due to inflation, changes in technology or changes in regulations. Cost estimates are maintained according to financial assurance regulations which include periodic updates by an independent third party. In years where a new cost estimate is not obtained, the costs are updated using inflation rates promulgated by the Colorado Department of Public Health and Environment. Disposal facility closure costs are as follows for the years ended Dec. 31, 2025 and 2024.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Cells 1 and 2A closure and postclosure care cost estimate	<b>\$ 1,214</b>	\$ 1,186
Capacity used to date	<b>100%</b>	100%
Cells 1 and 2A disposal facility closure cost liability	<b>\$ 1,214</b>	\$ 1,186
Cell 2B closure and postclosure care cost estimate	<b>\$ 6,719</b>	\$ 6,561
Capacity used to date	<b>42.9%</b>	28.6%
Cell 2B disposal facility closure cost	<b>\$ 2,882</b>	\$ 1,876
Total disposal facility closure cost	<b>\$ 4,096</b>	\$ 3,062

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## **11. Other long-term obligations**

Under an agreement between the Windy Gap Firing Project Water Activity Enterprise, Municipal Subdistrict of Northern Colorado Water Conservancy District (Municipal Subdistrict) and Platte River, Platte River has contractual rights to 16,000 acre-feet of storage in the total 90,000 acre-feet storage system known as the Windy Gap Firing Project, of which the largest component is the Chimney Hollow Reservoir. Reservoir construction began in August 2021 and was completed in December 2025. Total project costs are not final until all project financing loans close. Once the project is placed into commercial operation, Platte River will have a perpetual right for capacity in the project.

In 2021, the project was partially financed through a pooled financing with other participants. Due to alternate accounting treatment (note 6) and specifics of the agreement, Platte River recorded a regulatory asset and other long-term obligations. Platte River did not receive cash with the financing as the project is managed by the Municipal Subdistrict. Platte River also cash funded a portion of the project. The original pooled financing arrangement was not sufficient to fully fund completion of the project after increases due to a federal permit delay, environmental mitigation and enhancement, construction cost increases and additional engineering and construction management. Platte River elected to increase the pooled financing by \$11,789,000 through an amendment to the existing subordinate debt. This amendment was executed January 2025. Platte River did not record the full increase, rather other long-term obligations and regulatory assets increase to the extent funds have been drawn by the Municipal Subdistrict on this additional amount.

The regulatory asset is the value of the total costs of the project (cash funded including settlement liability payments and the pooled financing portion) whereas the other long-term obligations represent Platte River's portion of the pooled financing and settlement liability. As of Dec. 31, 2025, a portion of the available pooled financing subordinate debt is not yet drawn and additional draws are expected in 2026 prior to the debt being closed and converted to a fixed future amortization.

The total costs of the project are recognized ratably over the term of the pooled financing. The cash-funded and settlement liability components are recognized through amortization expense using the straight-line method over the estimated pooled financing term beginning in 2021. The pooled financing debt service payments are included in operations and maintenance expense and not accounted for as debt service. Principal recognized as operations and maintenance expense reduces the associated regulatory asset, which will begin occurring in 2026. These payments are considered fixed obligation charges, reported as cash flows from capital and related financing activities and the outstanding principal balance of the pooled financing is considered other long-term obligations.

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Other long-term obligations outstanding and additional amounts available consist of the following.

	<u>Interest rate</u>	<u>Dec. 31,</u>	
		<u>2025</u>	<u>2024</u>
		<i>(in thousands)</i>	
Windy Gap Firming Project obligations			
Pooled financing senior debt			
maturing 7/15/2051	4%–5%	\$ 61,046	\$ 61,046
Pooled financing subordinate debt			
estimated to mature 9/1/2056	2.08%	34,797	32,360
Settlement liability	n/a	-	889
		95,843	94,295
Less: due within one year		(2,148)	(889)
Total long-term obligations, net		\$ 93,695	\$ 93,406
Additional pooled financing available		9,352	-
Total maximum estimated			
long-term obligations		\$ 105,195	\$ 94,295

Operations and maintenance expenses relating to the pooled financing alternative accounting treatment are as follows.

	<u>2025</u>	<u>2024</u>
	<i>(in thousands)</i>	
Interest	\$ 3,452	\$ 2,964
Principal	-	-
Total operations and maintenance		
expenses relating to the pooled financing	\$ 3,452	\$ 2,964

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Estimated calendar year totals for pooled financing payments under the agreement, including all additional pooled financing available, are as follows. These amounts will differ from recognition as outflows of resources and payments depend on assessment timing, final costs, including those discussed in note 18, and the ability of the other participants to meet their funding obligations.

Year ending Dec. 31	Estimated net principal	Estimated interest	Total
	<i>(in thousands)</i>		
2026	\$ 2,148	\$ 4,130	\$ 6,278
2027	3,331	3,699	7,030
2028	3,465	3,564	7,029
2029	3,607	3,423	7,030
2030	3,753	3,275	7,028
2031-2035	21,233	13,914	35,147
2036-2040	25,920	9,225	35,145
2041-2045	18,142	4,229	22,371
2046-2050	11,285	2,441	13,726
2051-2055	10,359	842	11,201
2056	1,952	41	1,993
	<u>\$ 105,195</u>	<u>\$ 48,783</u>	<u>\$ 153,978</u>

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In addition to the estimated funding for pooled financing payments, Platte River is required to contribute to debt service reserve funds. The senior debt reserve fund was established at the time senior bonds for the Windy Gap Firing Project were issued. The subordinate debt reserve fund will be established in the future through annual contributions. These funds are expected to be applied to future debt service as follows.

Year ending Dec. 31	Estimated contributions	Estimated applications to debt service	Projected reserves in other long- term assets
	<i>(in thousands)</i>		
2026	\$ -	\$ -	\$ 4,847
2027	199	-	5,046
2028	199	-	5,245
2029	199	-	5,444
2030	199	-	5,643
2031-2035	997	-	6,640
2036-2040	199	-	6,839
2041-2045	-	4,362	2,477
2046-2050	-	-	2,477
2051-2055	-	484	1,993
2056	-	1,993	-
	<u>\$ 1,992</u>	<u>\$ 6,839</u>	

Other obligations relating to the project included Platte River's portion of a settlement liability that had final payment made in 2025.

Several funds, in addition to the debt service reserve fund, are held by the Municipal Subdistrict and relate to the project and associated obligations as follows. These funds are held on Platte River's statement of net position as components of other long-term assets or prepayments and other assets, depending on expected timing of when funds are available, until the funds are returned to Platte River, applied to assessments as credits or applied for their intended purpose.

- Liquidity funds are held for use if another participant defaults. When the pooled financing is fully repaid, liquidity funds are expected to be returned to Platte River.
- Operating reserve funds are held for use if operating funds are insufficient to make payments of ongoing costs and expenses of the project. This fund provides the project working capital and is expected to be maintained throughout future operations at a level of approximately two years of expenses.

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- Debt service funds are held due to the delay between when the Municipal Subdistrict assesses debt service funds from project participants and when pooled financing debt service payments are made by the Municipal Subdistrict.

Funds activity related to other long-term obligations for the year ended Dec. 31, 2025, was as follows.

	<b>Dec. 31, 2024</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2025</b>	<b>Available within one year</b>
	<i>(in thousands)</i>				
Debt service reserve funds	\$ 4,847	\$ -	\$ -	\$ 4,847	\$ -
Investment returns	37	155	-	192	-
Total debt service reserve funds	4,884	155	-	5,039	-
Liquidity funds	2,819	439	-	3,258	-
Investment returns	139	192	(135)	196	162
Total liquidity funds	2,958	631	(135)	3,454	162
Operating reserve funds	356	355		711	-
Investment returns	6	46		52	
Total operating reserve funds	362	401	-	763	-
Debt service funds	-	-	-	-	-
Investment returns	-	414		414	407
Total debt service funds	-	414	-	414	407
Total funds related to other long-term obligations	\$ 8,204	\$ 1,601	\$ (135)	\$ 9,670	\$ 569

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Funds activity related to other long-term obligations for the year ended Dec. 31, 2024, was as follows.

	Dec. 31, 2023	Additions	Reductions	Dec. 31, 2024	Available within one year
<i>(in thousands)</i>					
Debt service reserve funds	\$ 4,847	\$ -	\$ -	\$ 4,847	\$ -
Investment returns	-	37		37	-
Total debt service reserve funds	4,847	37	-	4,884	-
Liquidity funds	1,562	1,257	-	2,819	-
Investment returns	-	139	-	139	135
Total liquidity funds	1,562	1,396	-	2,958	135
Operating reserve funds	-	356	-	356	-
Investment returns	-	6	-	6	-
Total operating reserve funds	-	362	-	362	-
Total funds related to other long-term obligations	\$ 6,409	\$ 1,795	\$ -	\$ 8,204	\$ 135

## 12. Lease and subscription liabilities

Lease and subscription liabilities represent obligations associated with the recognition of amortizable lease and subscription assets (notes 3 and 4) based on the net present value of anticipated future cashflows at the commencement of each lease or subscription term. When necessary, these anticipated future cashflows consider management's best estimate of exercising optional terms within contracts, and actual terms may differ. No lease or subscription contract has a stated or implied interest rate, therefore, Platte River has used an estimated incremental borrowing rate which varies, based on interest rates at the time of each commencement, between 0.5% and 3.6%.

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Lease and subscription liability activity for the year ended Dec. 31, 2025, was as follows.

	<b>Dec. 31, 2024</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2025</b>	<b>Due within one year</b>
	<i>(in thousands)</i>				
Lease liabilities	\$ 101	\$ -	\$ (10)	\$ 91	\$ 10
Subscription liabilities	3,329	577	(1,193)	<b>2,713</b>	1,351
Total lease and subscription liabilities	\$ 3,430	\$ 577	\$ (1,203)	<b>\$ 2,804</b>	\$ 1,361

Lease and subscription liability activity for the year ended Dec. 31, 2024, was as follows.

	<b>Dec. 31, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>Dec. 31, 2024</b>	<b>Due within one year</b>
	<i>(in thousands)</i>				
Lease liabilities	\$ 111	\$ -	\$ (10)	\$ 101	\$ 10
Subscription liabilities	1,391	3,239	(1,301)	3,329	1,032
Total lease and subscription liabilities	\$ 1,502	\$ 3,239	\$ (1,311)	\$ 3,430	\$ 1,042

Interest expense for the years ended Dec. 31, 2025 and 2024, related to lease and subscription liabilities, was \$100,000 and \$67,000, respectively. In addition to principal and interest, Platte River recognized, as operating expenses, variable payments of \$72,000 and \$134,000 during the years ended Dec. 31, 2025 and 2024, respectively, which were not included in the initial measurement of the liabilities. No other non-support payments, such as termination penalties, were incurred.

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Calendar year totals for expected lease liability principal and interest payments are shown in the following table.

<b>Year ending Dec. 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
	<i>(in thousands)</i>		
2026	\$ 10	\$ 3	\$ 13
2027	10	3	13
2028	11	3	14
2029	11	2	13
2030	12	2	14
2031-2033	37	3	40
	<u>\$ 91</u>	<u>\$ 16</u>	<u>\$ 107</u>

Calendar year totals for expected subscription liability principal and interest payments are shown in the following table.

<b>Year ending Dec. 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
	<i>(in thousands)</i>		
2026	\$ 1,351	\$ 64	\$ 1,415
2027	948	33	981
2028	414	11	425
	<u>\$ 2,713</u>	<u>\$ 108</u>	<u>\$ 2,821</u>

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### 13. Net investment in capital assets

Net investment in capital assets consisted of the following as of Dec. 31, 2025 and 2024.

	<b>2025</b>	<b>2024</b>
	<i>(in thousands)</i>	
Electric utility plant	<b>\$ 688,150</b>	\$ 593,484
Windy Gap Firing Project storage rights	<b>111,619</b>	109,875
Other long-term assets relating to capital assets	<b>8,904</b>	7,841
Deferred loss on debt refundings	<b>1,026</b>	1,596
Debt issuance expense recognition regulatory asset	<b>338</b>	404
Deferred gain on debt refundings	<b>(87)</b>	(100)
Lease and subscription liabilities	<b>(2,804)</b>	(3,430)
Accounts payable incurred for capital assets	<b>(7,444)</b>	(3,494)
Deferred gains and losses on capital retirements	<b>(21,291)</b>	(28,026)
Other long-term obligations relating to capital assets	<b>(95,843)</b>	(94,295)
Long-term debt, net	<b>(105,408)</b>	(120,607)
Net investment in capital assets	<b><u>\$ 577,160</u></b>	<b><u>\$ 463,248</u></b>

### 14. Defined contribution plan

Effective Sept. 1, 2010, the board established the Platte River Power Authority defined contribution plan (in accordance with Internal Revenue Code Section 401(a)) for all regular employees hired on or after that date. As of Dec. 31, 2025, there were 240 active plan participants. The plan's assets are held in an external trust account and the investments are participant directed.

Based on years of service, Platte River contributed between 5% and 13% of earnings for plan participants. Platte River further contributed 5% or 5.7%, based on years of service and when applicable, of the participant's earnings in excess of social security taxable wages under Internal Revenue Code Section 3121(a)(1) for the plan year. Platte River also contributed to the 401(a) plan an amount equal to 50% of the participant's contributions to a separate 457(b) plan, taking into account only participant contributions up to 6% of the participant's earnings. For the years ended Dec. 31, 2025 and 2024, Platte River contributions to the 401(a) plan, which were recognized as expenses, were \$2,675,000 and \$2,741,000, respectively. The employer contributions to the 401(a) plan vest 100% after three years. The 401(a) plan's records are kept on the accrual basis.

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## 15. Insurance programs

Platte River has purchased insurance policies to cover the risk of loss related to various general liability, property loss exposures and cyber events. Insurance settlements have not exceeded insurance coverage in the past three years. Platte River also provides a self-insured medical and dental plan for its employees. Platte River carries medical stop-loss insurance to cover losses above \$175,000 per person per incident. A liability was recorded for estimated medical and dental claims that were incurred but not reported. Platte River uses a third-party administrator to account for health insurance claims and estimates medical claims liability based on prior claims payment experience. Medical claims liability is included as a component of accounts payable in the statements of net position.

Changes in the balance of the medical claims liability during 2025, 2024 and 2023 were as follows.

	<b>2025</b>	<b>2024</b>	<b>2023</b>
	<i>(in thousands)</i>		
Medical claims liability, beginning of year	\$ 746	\$ 938	\$ 1,000
Current year claims and changes in estimates	<b>4,304</b>	5,010	5,747
Claim payments	<b>(4,358)</b>	(5,202)	(5,809)
Medical claims liability, end of year	<b>\$ 692</b>	\$ 746	\$ 938

## 16. Related-party transactions

Platte River pays certain expenses of the defined benefit pension plan and performs certain administrative functions at no cost to the defined benefit pension plan.

## 17. Commitments

Platte River has two long-term purchase power contracts with WAPA. The contract with the Colorado River Storage Project continues through September 2057. The Loveland Area Projects contract continues through September 2054. The contract rates and the amount of energy available are subject to change. Platte River paid \$15,909,000 and \$15,866,000 during 2025 and 2024, respectively, for power delivered under these contracts.

Platte River and two of the other four participants in the Yampa Project own Trapper Mine, the primary source of coal for the Yampa Project. The contract provides for delivery of specified amounts of coal to each Yampa owner through September 2028. This contract is subject to price adjustments. Platte River's coal purchases totaled \$20,213,000 and \$20,945,000 during 2025 and 2024, respectively, under this contract.

The Rawhide Energy Station's coal purchase and transportation agreements are under multiple-year contracts. Base prices for these contracts are subject to future price adjustments. Platte

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River paid \$21,605,000 and \$21,758,000 during 2025 and 2024, respectively, for coal delivered under these agreements.

Platte River has agreements to purchase renewable wind energy output of 12 megawatts from Silver Sage Windpower Project through 2029, 60 megawatts from Spring Canyon Wind Energy Center Phases II and III through 2039 and 225 megawatts from Roundhouse Wind Energy Center through 2042. Platte River paid \$24,564,000 and \$22,807,000 during 2025 and 2024, respectively, under these renewable wind energy agreements. Platte River has a long-term agreement with a third party to sell all the output purchased from the Silver Sage Windpower Project through 2029. Platte River received \$626,000 and \$621,000 during 2025 and 2024, respectively, under this agreement. In addition, to accommodate additional wind energy available from the Roundhouse Wind Energy Center power purchase agreement and reduce ancillary services expense, the energy and renewable attributes from the Spring Canyon Wind Energy Center Phases II and III sites were sold under a 10-year sales contract beginning in 2020. At the end of the sales contract, the energy will return to Platte River. Platte River received \$3,800,000 and \$3,113,000 during 2025 and 2024, respectively, under this agreement.

Platte River has agreements to purchase renewable solar energy output of 30 megawatts through 2041 from the Rawhide Flats Solar photovoltaic power plant (located at the Rawhide Energy Station), 22 megawatts through 2041 from the Rawhide Prairie Solar photovoltaic power plant (also located at the Rawhide Energy Station) and a total of 257 megawatts through two phases, 150 megawatts commercially operating and 107 megawatts under construction as of Dec. 31, 2025, from the Black Hollow Sun project (located in Weld County). The Black Hollow Sun agreement ends 20 calendar years from the first Jan. 1 after phase 2 achieves commercial operation, expected in fall 2026. A two megawatt-hour battery energy storage project is fully integrated with Rawhide Prairie Solar. Platte River paid \$7,199,000 and \$4,578,000 during 2025 and 2024, respectively, under these renewable solar energy agreements.

Platte River has an agreement to receive future battery energy storage services of 100 megawatts expected to reach commercial operation by the end of 2026.

Platte River has a long-term purchase agreement with a third party to manufacture and deliver aeroderivative combustion turbines. The agreement calls for future progress payments, based on contract timelines and project milestones, through 2028 with remaining future payments of \$138,896,000. Platte River paid \$59,468,000 and \$34,724,000 during 2025 and 2024, respectively, under this agreement including change orders.

Platte River has a long-term agreement with a third party to provide engineering, procurement and construction services for the aeroderivative combustion turbines and other enabling projects. The agreement calls for future progress payments, based on contract timelines and project milestones, through 2028 with remaining future payments of \$291,437,000. During 2025, the first year of payments due, Platte River paid \$36,236,000 under this agreement.

Platte River had a long-term agreement with a third party to sell 65 megawatts of capacity from combustion turbine units A-D which terminated April 2025. The agreement also provided for

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energy, maintenance and start charges when the capacity option was called. Platte River received \$650,000 and \$3,705,000 during 2025 and 2024, respectively, under this agreement.

Platte River has a long-term agreement with a third party to sell non-unit-specific capacity through May 31, 2026. The capacity sold was 50 megawatts through 2024, then increased to 100 megawatts through the duration of the agreement. The agreement also provides for terms and conditions of calls on the capacity, including minimum energy requirements and energy charges. Platte River received \$9,990,000 and \$5,123,000 during 2025 and 2024, respectively, under this agreement.

Platte River had a long-term agreement with a third party to sell 25 megawatts of non-unit-specific capacity which terminated September 2025. The agreement also provided for terms and conditions of calls on the capacity, including minimum energy requirements and energy charges. Platte River received \$1,605,000 and \$1,475,000 during 2025 and 2024, respectively, under this agreement.

## **18. Risks, uncertainties and contingencies**

In the ordinary course of business, Platte River may be affected by various legal matters and is subject to legislative, administrative and regulatory requirements that govern operations and environmental compliance. Although Platte River cannot predict the outcomes of these matters, management is aware of no pending legal matters or environmental regulations for which the outcome is likely to have a material adverse effect upon Platte River's operations, financial position or changes in financial position in the near term.

Currently Platte River generates and delivers the majority of its energy from carbon resources. In December 2018, the board passed the Resource Diversification Policy. The policy includes the goal of reaching a 100% noncarbon energy mix by 2030 while maintaining Platte River's "three pillars" of providing reliable, environmentally responsible and financially sustainable electricity and services. The policy acknowledges that several conditions must be met to achieve this goal, including participation in a full energy market, more mature and lower-cost battery storage performance, transmission and distribution infrastructure investments, improved grid management systems and more. Platte River is proactively working to diversify its resource mix to achieve the policy's goal. In 2025, Platte River's board passed a resolution affirming its commitment to the Resource Diversification Policy.

As discussed in note 2, Platte River and the other owners of Craig Unit 1 planned to retire Craig Unit 1 by the end of 2025. However, on Dec. 30, 2025, the DOE issued an emergency order (Emergency Order 1) under Section 202(c) of the Federal Power Act to Platte River and the other owners of Craig Unit 1. Emergency Order 1 required the owners to "take all measures necessary to ensure that Craig Unit 1 is available to operate" until March 30, 2026. When Emergency Order 1 expired, the DOE issued a follow-on order (Emergency Order 2) that not only requires the owners to take all measures necessary to ensure Craig Unit 1 is available to operate, but also orders the Southwest Power Pool to "take every step to employ economic

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dispatch of Craig Unit 1 to minimize costs to ratepayers.” Emergency Order 2 took effect March 31, 2026, and expires on June 28, 2026.

Platte River anticipates the DOE will continue to issue sequential emergency orders for Craig Unit 1, as it has done with fossil-fueled power plants elsewhere in the U.S. Because Craig Unit 1 was not operational when the DOE issued Emergency Order 1 (primarily because it had been scheduled to permanently retire by Dec. 31, 2025), the owners incurred modest costs (in 2026) for repairs necessary to return Craig 1 to operational condition. Craig Unit 1 was not called on to run between Dec. 30, 2025 and March 30, 2026. Emergency Order 2 has different requirements. Craig Unit 1’s owners do not currently have sufficient information to assess how Emergency Order 2 will affect dispatch of Craig Unit 1 or what associated costs will be.

Tri-State and Platte River filed with the DOE on Jan. 29, 2026, asking the DOE to rehear Emergency Order 1 on grounds that would also apply to Emergency Order 2. On March 2, 2026, the DOE notified Tri-State and Platte River that their request for rehearing was denied by operation of law. Tri-State and Platte River plan to file a petition for review of Emergency Order 1 with the U.S. Court of Appeals for the District of Columbia Circuit, and will continue to evaluate how to respond to Emergency Order 2.

Additionally, potential changes in environmental regulations could affect the cost of generation for coal and gas facilities or could require significant capital expenditures and therefore materially affect the rates Platte River charges its customers. In 2019, the Colorado General Assembly adopted a “Climate Action Plan” (H.B. 19-1261) that established statewide goals for a 26% reduction in greenhouse gas emissions from 2005 levels by 2025, a 50% reduction by 2030 and a 90% reduction by 2050. In addition, S.B. 19-236 established even more stringent greenhouse gas emission reduction targets for electric utilities, including an 80% reduction from 2005 levels by 2030 and a 100% reduction by 2050. The state released its Greenhouse Gas Pollution Reduction Roadmap in 2021 and updated it in February 2024. The Greenhouse Gas Pollution Reduction Roadmap outlines potential policies Colorado may pursue through 2026 to meet its climate goals. In 2022, Platte River submitted a voluntary clean energy plan under H.B. 19-1261 and S.B. 19-236 showing Platte River’s path to reduce its carbon emissions 80% by 2030 (compared to 2005 levels).

As discussed in note 11, Platte River is a participant in the Windy Gap Firing Project of which the largest component is the Chimney Hollow Reservoir. Late in the construction process, the Municipal Subdistrict discovered naturally occurring uranium leaching into reservoir water from surrounding rocks used to construct the main dam embankment. The Municipal Subdistrict and project participants have collaborated to conduct studies and explore potential mitigation plans that will meet applicable standards for public drinking water supplies. The Municipal Subdistrict has not yet selected a preferred mitigation alternative, but one potential strategy includes treatment and controlled releases, with a preliminary estimated cost of roughly \$18,000,000 over five years (out of an expected total project cost around \$750,000,000). Under this strategy, Platte River’s estimated share of treatment costs would be \$3,200,000. If the Municipal Subdistrict and project participants choose a different strategy or estimated costs increase, Platte River would be responsible for funding its share. The Municipal Subdistrict has not

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recognized a liability and is instead disclosing a contingency related to this matter in its 2025 Annual Comprehensive Financial Report due to key uncertainties including selection of a strategy, regulatory requirements, timing and duration of mitigation and cost variability due to the range of potential mitigation alternatives under consideration. Based on this determination, Platte River also has not recognized a liability.

Investments of the defined benefit pension plan are subject to various risks, such as interest rate, credit, foreign currency, illiquidity, quality of fund managers and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of investments could occur in the near term and that these changes could materially affect the amounts reported in the statements of fiduciary net position.

Platte River makes defined benefit pension plan contributions and reports net pension liability based on assumptions about interest rates, inflation rates and employee demographics, all of which could change. Due to uncertainties inherent in the estimation and assumption process, it is reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

The defined benefit pension plan is exposed to potential losses from torts. Platte River carries fiduciary liability insurance coverage for these types of claims. There have been no significant decreases in insurance coverage.

Platte River's defined benefit pension plan portfolio includes allocations to various asset classes with volatile prices. Due to market conditions, the lump sum distribution option from the defined benefit pension plan was suspended in 2022 then reinstated October 2025.

Economic uncertainties continue to exist that may negatively affect Platte River's financial position, results of operations and cash flows. The duration and future financial impact of supply chain constraints, labor and materials shortages, price volatility in fuel and electric markets, inflation, national and international political tensions and other risks and uncertainties cannot be reasonably estimated.

## Platte River Power Authority Defined benefit pension plan

### Required supplementary information

Schedule of changes in net pension liability and related ratios

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	<i>(in thousands)</i>									
<b>Total pension liability</b>										
Service cost	\$ 1,026	\$ 1,055	\$ 1,100	\$ 1,055	\$ 1,216	\$ 1,364	\$ 1,575	\$ 1,535	\$ 1,616	\$ 1,728
Interest	10,769	10,320	9,939	9,459	9,306	9,179	9,022	8,740	8,421	8,176
Changes of benefit terms	-	-	-	-	(160)	-	-	-	-	-
Differences between expected and actual experience	1,653	4,355	2,918	4,254	3,017	970	704	2,088	1,175	(620)
Changes of assumptions	-	-	-	-	(1,353)	-	-	-	-	-
Benefit payments	(10,130)	(9,288)	(8,369)	(8,450)	(11,199)	(8,144)	(9,859)	(7,416)	(6,361)	(5,418)
Net change in total pension liability	3,318	6,442	5,588	6,318	827	3,369	1,442	4,947	4,851	3,866
Total pension liability—beginning	147,635	141,193	135,605	129,287	128,460	125,091	123,649	118,702	113,851	109,985
Total pension liability—ending (a)	\$ 150,953	\$ 147,635	\$ 141,193	\$ 135,605	\$ 129,287	\$ 128,460	\$ 125,091	\$ 123,649	\$ 118,702	\$ 113,851
<b>Plan fiduciary net position</b>										
Contributions – employer	\$ 8,008	\$ 6,073	\$ 6,041	\$ 4,333	\$ 4,569	\$ 7,593	\$ 3,649	\$ 4,578	\$ 6,220	\$ 2,912
Net investment income	18,640	10,646	10,162	(12,315)	15,291	6,995	13,044	(3,179)	11,289	7,476
Benefit payments	(10,130)	(9,288)	(8,369)	(8,450)	(11,199)	(8,144)	(9,859)	(7,416)	(6,361)	(5,418)
Net change in Plan fiduciary net position	16,518	7,431	7,834	(16,432)	8,661	6,444	6,834	(6,017)	11,148	4,970
Plan fiduciary net position—beginning	120,350	112,919	105,085	121,517	112,856	106,412	99,578	105,595	94,447	89,477
Plan fiduciary net position—ending (b)	\$ 136,868	\$ 120,350	\$ 112,919	\$ 105,085	\$ 121,517	\$ 112,856	\$ 106,412	\$ 99,578	\$ 105,595	\$ 94,447
<b>Net pension liability—ending (a) – (b)</b>	\$ 14,085	\$ 27,285	\$ 28,274	\$ 30,520	\$ 7,770	\$ 15,604	\$ 18,679	\$ 24,071	\$ 13,107	\$ 19,404
Plan fiduciary net position as a percentage of the total pension liability	90.67%	81.52%	79.98%	77.49%	93.99%	87.85%	85.07%	80.53%	88.96%	82.96%
Estimated covered payroll	\$ 11,793	\$ 12,183	\$ 12,664	\$ 12,154	\$ 12,502	\$ 13,490	\$ 14,909	\$ 15,290	\$ 16,215	\$ 16,874
Net pension liability as a percentage of estimated covered payroll	119.44%	223.97%	223.25%	251.10%	62.15%	115.67%	125.29%	157.43%	80.83%	114.99%

**Platte River Power Authority**  
**Defined benefit pension plan**  
 Required supplementary information  
 Schedule of employer contributions

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<i>(in thousands)</i>										
Actuarially determined contribution	\$ 8,008	\$ 6,073	\$ 6,041	\$ 4,333	\$ 4,569	\$ 7,593	\$ 3,649	\$ 4,578	\$ 6,220	\$ 2,912
Contribution in relation to the										
actuarially determined contribution	8,008	6,073	6,041	4,333	4,569	7,593	3,649	4,578	6,220	2,912
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated covered payroll	\$11,793	\$12,183	\$12,664	\$12,154	\$12,502	\$13,490	\$14,909	\$15,290	\$16,215	\$16,874
Contributions as a percentage of covered payroll	67.90%	49.85%	47.70%	35.65%	36.55%	56.29%	24.48%	29.94%	38.36%	17.26%

**Notes to schedule**

*Valuation Date:*

Actuarially determined contribution rates are calculated as of December 31, two years prior to the calendar year in which contributions are reported.

*Methods and assumptions used to determine contribution rates:*

- Actuarial cost method Frozen initial liability, entry age normal
- Amortization method 5-year, straight-line basis
- Asset valuation method 4-year smoothed market
- Salary increases 3.3%, 10 year average
- Increases in retiree benefits – in payment pensioners If benefits commenced prior to 1/1/92, 2.25%. If benefits commenced after 12/31/1991, 1.5%.
- Investment rate of return 7.50%

**Platte River Power Authority**  
**Defined benefit pension plan**  
 Required supplementary information  
 Schedule of investment returns

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	15.6%	9.6%	9.8%	(10.3%)	14.0%	6.6%	13.5%	(3.1%)	12.0%	8.5%

**Platte River Power Authority**  
**Supplementary information**  
**Budgetary comparison schedule**

	<b>Year ended Dec. 31, 2025</b>		
	<b>Budget <sup>(1)</sup></b>	<b>Actual</b>	<b>Variance</b>
	<i>(in thousands)</i>		
<b>Revenues</b>			
Operating revenues			
Sales to owner communities	\$ 248,437	\$ <b>242,058</b>	\$ (6,379)
Sales for resale and other	64,723	<b>79,772</b>	15,049
Total operating revenues	313,160	<b>321,830</b>	8,670
Other revenues			
Interest income <sup>(2)</sup>	10,546	<b>12,094</b>	1,548
Other income	851	<b>2,171</b>	1,320
Total other revenues	11,397	<b>14,265</b>	2,868
Total revenues	\$ 324,557	\$ <b>336,095</b>	\$ 11,538
<b>Expenditures</b>			
Operating expenses <sup>(3)</sup>			
Purchased power	\$ 69,789	\$ <b>67,174</b>	\$ 2,615
Fuel	42,435	<b>45,815</b>	(3,380)
Production	55,512	<b>56,749</b>	(1,237)
Transmission	23,901	<b>21,863</b>	2,038
Administrative and general	43,186	<b>39,689</b>	3,497
Distributed energy resources	15,200	<b>11,951</b>	3,249
Total operating expenses	250,023	<b>243,241</b>	6,782
Capital additions			
Production	126,570	<b>125,241</b>	1,329
Transmission	14,457	<b>9,446</b>	5,011
General	17,569	<b>6,455</b>	11,114
Asset retirement obligations	2,352	<b>1,652</b>	700
Total capital additions	160,948	<b>142,794</b>	18,154
Debt service expenditures <sup>(4)</sup>			
Principal	14,963	<b>14,932</b>	31
Interest expense	4,092	<b>4,123</b>	(31)
Total debt service expenditures	19,055	<b>19,055</b>	-
Total expenditures	\$ 430,026	\$ <b>405,090</b>	\$ 24,936
Contingency appropriation	53,864	-	53,864
Total expenditures and contingency	\$ 483,890	\$ <b>405,090</b>	\$ 78,800
<b>Revenues less expenditures and contingency</b>	<b>\$ (159,333)</b>	<b>\$ (68,995)</b>	<b>\$ 90,338</b>

<sup>(1)</sup> Reflects transfer of budget-appropriated funds from contingency appropriation to capital additions and debt service expenditures, \$21,127,000 for capital additions and \$8,900 for debt service expenditures.

<sup>(2)</sup> Interest income excludes unrealized investment holding gains and losses.

<sup>(3)</sup> Operating expenses do not include depreciation and other nonappropriated expenses.

<sup>(4)</sup> Debt service expenditures include monthly principal and interest funding for power revenue bonds and lease and subscription liabilities.

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# Platte River

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